

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, SEPTEMBER 19, 1929

Education on Car Operation



*A series of
advertisements
having to do with
the Agent's part
in saving Life
and Property*



*A reduced
number of losses
means
Lower Rates*

IT HAS been estimated that 95% of all automobile accidents result from some failure of the human machine rather than from faulty mechanism or improper engineering.

Education is the power that can combat this condition. Teaching highway accident-prevention in the schools reaches the children and talks by agents before men's and women's Civic Clubs reach the grown-ups.

**Indemnity Insurance Company
of North America**

PHILADELPHIA

FIRE — AUTOMOBILE — WINDSTORM — SPRINKLER LEAKAGE — MARINE



QUEEN

Ins. Co. of America

Queen Agents from ocean to ocean
are safeguarding with Good Insurance
the Capital and Savings represented
in the Industries, Commerce, and
Homes of America.

INCORPORATED IN NEW YORK STATE 1881

CAPITAL \$5,000,000

HEAD OFFICE: 150 WILLIAM STREET, NEW YORK CITY

WESTERN DEPARTMENT
ELWIN W. LAW, MANAGER
CHICAGO

SOUTHERN DEPARTMENT
S. Y. TUPPER, MANAGER
ATLANTA

PACIFIC COAST DEPARTMENT
H. R. BURKE, MANAGER
SAN FRANCISCO

USE AND OCCUPANCY — RIOT AND CIVIL COMMOTION — PERSONAL EFFECTS FLOATER

A FIRE hazard in any building is dangerous. But there is added seriousness to fire hazards in hospitals, orphanages, insane asylums and buildings of similar occupancy because of the great loss of life which might occur as the result of the inability of many of the patients and inmates to take care of themselves in case of fire.

The White Fireman long ago recognized the vital necessity of improving conditions in such buildings. For more than twenty years he has devoted special attention to hospital protection.

He has analyzed the conditions which have been responsible for practically every hospital disaster in the United States and Canada, and has caused wide circulation to be given to the reports of his findings to the end that similar conditions might be guarded against.

He has inspected hundreds of hospital buildings with a view to determining how they might be made safer. Upon his recommendations, hospitals have installed better fire protection equipment, have equipped buildings or vital parts of buildings with sprinklers, have provided adequate

exits, have inaugurated systems of fire drills, have provided safer storage for the dangerous nitro-cellulose X-ray film and chemicals, have adopted the use of safety film of cellulose acetate stock for X-ray purposes, and have taken many other important measures looking to the greater protection of life.

Were it not for the fact that so many hospitals and institutions have followed the advice of the White Fireman it is probable that catastrophes in which fire deals death to helpless people would occur with greater frequency.



The White Fireman's
part in making
hospitals safer

WHO is the White Fireman? He is used in this advertising to symbolize loss-prevention engineering service—a nation-wide service, supported by insurance companies, having for its purpose the reduction of loss-hazards. Consultation on proposed structures, inspection of property, testing of materials and equipment, and many other kinds of technical assistance comprise the work of this service. Ask your North America Agent.

North America Agents are listed in the Insurance sections of classified telephone directories under "INSURANCE CO. OF NORTH AMERICA."

Insurance Company of North America
PHILADELPHIA
and
Indemnity Ins. Co. of North America
write practically every form of insurance except life
The Olden American Fire and Marine Insurance Company—Founded 1796

Property Owners may Secure Loss-prevention Service through Responsible Insurance Agents or Brokers

[[The advertisement reproduced above appears in full-page space, two colors, in The Saturday Evening Post, September 14; The Literary Digest, September 21; The Golden Book, Review of Reviews and World's Work for October.]]

The best advertisement is that which strikes cleanest and closest to the heart of public interest—what people are feeling, thinking, wanting.

In the realm of fire-prevention, there was—and is—one big question born simultaneously in thousands of minds after that recent catastrophe—"What about our other hospitals—are they safe?"

The White Fireman answers this question in the current national advertisement of the Insurance Company of North America. He points out what precautions are being taken to eliminate fire and explosion perils from hospitals and similar institutions.

People of all classes are interested in this advertisement because it concerns itself directly with them and their safety. Once again they have recognized the White Fireman as a friendly protector—one more step-up of public appreciation of the insurance business and especially of the men of North America.



CORROON & REYNOLDS FLEET
EXTENDING COUNTRY-WIDE SERVICE AND PROTECTION
 DECEMBER 31st, 1928, STATEMENTS

American Equitable Assurance Company of New York			
Assets	Liabilities	Capital	*Net Resources
\$10,099,162.29	\$3,394,266.51	\$2,000,000.00	\$6,704,895.78
Bronx Fire Insurance Company of the City of New York			
\$4,889,591.12	\$755,197.32	\$1,000,000.00	\$4,134,393.80
Brooklyn Fire Insurance Company			
\$5,762,813.80	\$1,293,331.77	\$1,000,000.00	\$4,469,482.03
Globe Insurance Company of America PITTSBURGH, PA. (Incorporated 1862)			
\$2,258,430.77	\$813,552.56	\$512,000.00	\$1,444,878.21
Knickerbocker Insurance Company of New York			
\$5,034,363.88	\$2,255,641.18	\$1,000,000.00	\$2,778,722.70

Long Island Fire Insurance Company			
Assets	Liabilities	Capital	*Net Resources
\$408,657.14	\$42,532.38	\$200,000.00	\$366,124.76
Merchants and Manufacturers Fire Insurance Company NEWARK, N. J. (Chartered 1849)			
\$5,774,475.31	\$1,291,847.16	\$1,000,000.00	\$4,482,628.15
New York Fire Insurance Company (Incorporated 1832)			
\$2,922,000.19	\$927,051.01	\$1,000,000.00	\$1,994,949.18
Republic Fire Insurance Company PITTSBURGH, PA. (Incorporated 1871)			
\$4,076,176.31	\$1,040,535.31	\$1,000,000.00	\$3,035,641.00
Sylvania Insurance Company PHILADELPHIA, PA.			
\$5,327,783.03	\$758,805.07	\$1,500,000.00	\$4,568,977.96

*Net Resources, being aggregate of Capital, Net Surplus and Voluntary Reserves.

CLASSES OF INSURANCE WRITTEN
 FIRE, AUTOMOBILE, EXPLOSION, RIOT, CIVIL COMMOION, TORNADO AND WINDSTORM, SPRINKLER LEAKAGE, USE AND OCCUPANCY, PROFITS,
 LEASEHOLD AND GENERAL MERCHANDISE FLOATERS.

92 WILLIAM STREET

CORROON & REYNOLDS
 INCORPORATED
 MANAGER

NEW YORK CITY, N. Y.

The National Underwriter

Thirty-Third Year No. 38

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, SEPTEMBER 19, 1929

\$4.00 Per Year, 20 Cents a Copy

Large Meeting on at Toronto

National Convention of Insurance
Commissioners Has Big
Attendance

DUNHAM IN THE CHAIR

Varied Program of Business and Enter-
tainment is Provided for the
State Officials

By C. M. CARTWRIGHT

TORONTO, Sept. 18.—The Canadian formality and observation of amenities and conventions was a marked feature at the meeting of the National Convention of Insurance Commissioners at Toronto this week. Participating Canadian commissioners were more deferential and gracious in their address than their conferees from south of the line.

For months under the leadership of T. G. McConkey, general manager of the Canada Life, the head of the arrangements committee, and R. Leighton Foster, insurance superintendent of Ontario, official host, plans had been carefully laid out. Every detail had been mapped out; rank and seniority had been marked on the chart.

Formalities Observed

Tuesday on the platform in front of the English and United States colors were seated the representatives of the National Convention of Insurance Commissioners and the Association of Insurance Superintendents of the Provinces of Canada. It was the session of welcome and exchange of compliments, a joint affair with Mr. McConkey presiding.

Prime Minister Ferguson, scheduled to be present, was in the midst of a political maelstrom, as he had called a general election for Oct. 30, the night before. His worship, the Mayor of Toronto, had an important meeting of his cabinet, hence Finance Commissioner George Wilson and Superintendent Foster extended the greeting. C. C. Wyson of Indiana, the American vice-president, responded for his organization, saying this was the 60th annual meeting.

To get away from prejudice and baneful parochial influence, he declared, the commissioners had come to Canada to discuss prohibition and farm relief. He spoke too, for the great army of camp followers, the third house, of which he said J. V. Barry was the speaker, Jesse S. Phillips the leader of the right, and John A. Hartigan, leader of the left.

H. G. Garrett, New Brunswick commissioner, vice-president of his organization and its incoming president, also responded. The Canadian association started in 1917. He and A. E. Fisher

(CONTINUED ON PAGE 48)

Dunham Sees No Need for Separate Legal Entities

TORONTO, Sept. 18.—Commissioner Howard P. Dunham of Connecticut sees no practical reason why it should be necessary to have separate legal entities to cover all lines of insurance when it would be simpler and less cumbersome to permit one corporation of adequate resources to qualify in various other states to do all classes of business, he stated before the National Convention of Insurance Commissioners in Toronto yesterday.

One important result was that the corporation will be domiciled in a single state and will be easily reached, whereas in the case of insurance fleets writing all lines, such companies may be domiciled in two or more states and, therefore, are regulated by two or more commissioners.

Tax Simplification Urged

Colonel Dunham also urged a simplification of the taxes on fire insurance companies, holding that the diversity and exacting non-uniform requirements of the various states in the matter of taxes on fire companies is a burden on both state and company alike.

"Several states require fire premiums distributed by counties," Colonel Dunham said. "Others require this information by towns. In one state alone this distribution has to be reported for over 2,000 cities, boroughs and townships. In addition, there are numerous distributions of business needed for fire patrols, salvage corps, fire departments, firemen's relief funds, to say nothing of various regulations concerning reinsurances.

Should Exclude Reinsurance Tax

"Second, states that tax premiums—and most do—should levy the tax on direct premiums only, excluding all reinsurance premiums on ceded and accepted. You will get just as much tax in the end and the state will be saved the burden of attempting to reconcile the various reinsurance premiums between companies. Leave the adjustment of such taxes to be settled between the companies themselves."

Reciprocal and retaliatory laws were condemned by Commissioner Dunham as seldom serving a useful purpose. "It would seem that it would be an act of wisdom to have fewer such statutes and even, when in effect, they should be enforced in a spirit of friendly cooperation," he said.

Time to Modernize

Colonel Dunham contrasted the lack of uniformity in the matter of licensing of agents and brokers in the different states with the uniformity which the convention has accomplished in the matter of annual statement, blanks, which means a saving to the companies and makes simpler the work of examination by the insurance departments.

He expressed the opinion that the time has come to modernize the methods of company examinations. He pointed out that the increasing magnitude of many of the companies makes

the work of examinations burdensome on both departments and companies.

"Inter-ownership of companies, interlocking directorates and inter-company reinsurance and retrocession facilities present to the trained mind the great problem of examination work rather than the minute investigation of more insignificant matters which I am afraid have to a large extent engrossed the attention of departments heretofore.

"There are numerous intricate complications which might be encountered in any examination of a company or companies of a group. To my mind, therefore, states should as far as possible employ similar examination methods so that the results attained will, as heretofore, continue to safeguard the interests of policyholders of all states irrespective of the magnitude of either a single company or a group of companies."

Statutes Too Limiting

Colonel Dunham said specific statutory regulation of reserves is often too specific, too limiting, and thought greater freedom of action is sometimes very desirable. "The laws do not provide a correct basis of reserve for fire insurance," he said. "The usual unearned premium basis is antiquated. The Canadian law, recognizing that this basis is high, requires 80 percent of what we demand in the states. Do not misunderstand me. I do not believe that such reserves should necessarily be reduced for the benefit of stockholders or surplus. There should be a loss reserve—a conflagration reserve built up and maintained. The convention has battled with the problem of rates, reasonable underwriting profit and kindred questions for years. It is possible that within a decade the rate and reserve structure for fire insurance will be remodeled on a net cost basis adjusted for interest, expenses, loss reserve and profit. We look for solvency under proper and adequate reserves and at the same time a reasonable profit for the companies."

Will Enter Fire Field

Entry into the fire field will shortly be made by the American Merchant Marine of New York City. This division of its business will be directed by Stewart B. Hopps, recently connected with the National Union of Pittsburgh who will become a vice-president of the former company.

Edgerton Parsons Dies

Death claimed Edgerton Parsons of Marsh & McLennan, one of the best known marine underwriters of the east, at his summer home at Hadley, Conn., Tuesday, following an extended illness. Mr. Parsons' business career began in 1897. Some years later he formed the firm of Parsons & Co., which was changed to that of Parsons & Eggert in 1916. Three years later the firm was merged with that of Marsh & McLennan, Mr. Parsons becoming a vice-president and a director when the agency incorporated.

Would Ease Up on Restrictions

Hobbs Tells Canadian Commis-
sioner About "Super-Insurers"
in United States

CRITICISES EXAMINATIONS

Representative of American Supervisors
Sees Need for Liberalization of
Charter Powers

Many advantages are gained by the group, or fleet, plan of organization, Clarence W. Hobbs, special representative of the National Convention of Insurance Commissioners to the National Bureau of Casualty & Surety Underwriters, said in his address Monday before the Association of Superintendents of Canadian Provinces in convention at Toronto.

The Armstrong investigation of 25 years ago, and the strict legislation which was a result, have been confused by tremendous growth of carriers, and institutions which then were considered to threaten the financial control of this country, now have many times more assets and income without that accompanying fear.

Criticism for Some Phases

Nevertheless, Mr. Hobbs said, there are phases of the growth of "super-insurers" that could be criticized. One is that advantages of great size are lessened beyond a certain volume of business and there is a tendency for the organizations to become cumbersome and unwieldy. The fleet plan has partially solved this difficulty, but then there is a certain increase in expense. Increased size also make difficult the personal contacts between chief executives and field men.

One of Major Advantages

One on the chief advantages is the ability to give a complete insurance service. Excerpts from Mr. Hobbs' address are given below:

"In the fire-marine and the casualty field we find single companies with \$100,000,000 of assets and a very considerable proportion of the business written by a small number of companies with premium income in excess of \$20,000,000. In addition to the big single companies, there are the groups. The evolution of these great organizations, and the extent to which they bid fair to occupy the field, has led to a certain unrest, a feeling that insurance is in a state of flux or flow.

"The present development of large companies and of groups is to some extent sympathetic to the general economic trend, which is distinctly in the direction of large single industrial, mercantile or financial units, and of drawing the smaller into the larger whether by

(CONTINUED ON PAGE 20)

Growing Power Is Now Noted

National Association of Insurance
Agents Had Big Convention
Attendance

LARGE OFFICES JOINING

Need for Conference Facilities With the
Companies and Their Organiza-
tions Is Pointed

The meeting of the National Association of Insurance Agents at Detroit, the most eventful in the history of the organization from the standpoint of potential benefit, excelled all others of previous gatherings in point of attendance. There were over 300 more registered at Detroit than at any other convention which indicates the growth of the association movement. Where state associations have put on special membership drives which have been done in a business-like way there have been added to their rolls a number of excellent agents who had not been interested in the movement.

Hotel Was Swamped

Naturally a congestion in one hotel as was seen in Detroit last week raises a problem in handling large gatherings. The hotel was swamped and found it difficult to assimilate so great a multitude. As the association grows the cities that can entertain a national convention will dwindle in number.

Perhaps the most far-reaching step in the convention annals was the stimulation of interest on part of large city agents in the organization. Heretofore to a large extent they have been dormant. Unless the National association gears its machinery to meet the demands of the large premium agencies they will lose interest and gradually drop out. The big local boards are demanding recognition. The Kansas City local agents have insisted that on roll call vote local boards be recognized as units in making up the voting quota of states.

Will Have Great Power

The large city agents once banded together in an organization of this kind will have tremendous power. Undoubtedly they will be recognized when it comes to representation on the executive committee. Percy H. Goodwin, the new chairman of the executive committee, is a large premium man himself. His advice will be most valuable. He is associated with a number of financial enterprises as officer and director. He is a director of the Great American Indemnity.

Group Conference Popular

The group conference plan adopted this year proved of great practical benefit and should be continued. However, the program should be arranged so that these groups can in one session devote at least two hours to discussion. This can readily be done by cutting down the regular program the afternoon of the first day. Local agents in attending conventions enjoy hearing good speakers but an over-loaded program of set addresses becomes tiresome. They would much prefer lightening the load of the convention proper and giving more time to practical subjects that are brought up in group conference.

Need for Conference

Undoubtedly one of the big points for adjustment is the creation of some sort
(CONTINUED ON PAGE 6)

Leaders Believe Premium Peak Not Nearly Reached

NEW YORK, Sept. 18.—Local agents inclined to take a pessimistic view of the future of the fire insurance business and feeling that, with the steady reduction in the average rate, their time could be more profitably employed in developing other lines of coverage, should ponder the matter carefully with a view to determining if they have honestly tried intensively to work the fire business. While the assertion is frequently made that fire companies have about reached the peak of their premium incomes, those who have analyzed the matter are convinced that so far from this being the case, a well directed and aggressively conducted campaign by executives and local agents would yield anywhere from 25 to 50 percent additional business. It is said too many local agents are inclined to follow the line of least resistance, and upon the expiration of a policy simply seek its renewal for the same amount, ignoring the changed conditions that may have taken place in the assured's affairs since the initial contract was written.

This procedure is especially common in the case of household risks, the vast majority of which are not covered to anything like their replacement value. Householders are adding to their furnishings constantly and in these days of antique furniture buying, many of the purchases run into big money. Yet their owners, unless the matter is called to their attention, pay little heed to the amount of insurance carried, taking for granted that their agent or broker will see to it that they have adequate cover.

Fall to Check Values

While greater care is exercised by agents in their treatment of mercantile accounts, even here they are too often remiss in failing to check off with the assured the values to be covered when the renewal period is reached, a condition disclosed when fire occurs and the loss adjustment is in progress.

It is not meant by this comment that agents should endeavor to persuade their clients to over-insure. While excess coverage sometimes reveals this, it is comparatively rare and should not be allowed to weigh with the local agent intent only in seeing that his clients are protected up to the amount of real values. When under-insured, the assured in the event of loss is prone to blame his agent, and not unjustly as a rule, for not pointing out to him the amount of indemnity he should carry, and is apt when again seeking insurance to place the business through some other source.

Possibilities in U. & O.

Furthermore, the possibilities for extending use and occupancy insurance are almost limitless, and the comparatively few local agents who have rec-

ognized this fact and made a drive for such business have been surprised at the returns. To the average local, the writing of use and occupancy coverage is an intricate proposition, and he is loath to devote the time necessary to its study in order to obtain a clear knowledge of its operation.

Results Truly Surprising

Appreciating the field offered in this direction, several field men have made themselves masters of use and occupancy coverage and have enlisted the interest of a number of local agents in the proposition, going with them on business seeking campaigns and explaining the importance of the coverage to prospective clients. The results have been truly surprising, attesting what can be accomplished by intelligent and energetic effort.

The field for use and occupancy insurance, as Vice-president Lawrence E. Falls of the American of Newark, in an address before the convention of the National Association of Insurance Agents at Detroit last week, pointed out, lies fallow, and alert and ambitious agents taking advantage of the opportunity will find it well worth their while.

Other Side Lines Profitable

To a lesser degree other so-called "side lines" of the fire business can be worked to considerable advantage, a fact being demonstrated day after day by men in different communities.

Fire insurance is one of the cardinal factors in the general business structure, for without it credit would be impossible. It therefore follows that the advantages of the additional lines of indemnity which serve to strengthen the initial coverage need only to be presented properly to the average merchant and manufacturer to induce his acceptance of them. This is a duty incumbent upon every real agent in the country, leaders in the business sav.

New Companies Create Problems

Livingston Says Excess Commis-
sion Places Unreasonable
Burden on Public

SPEAKS IN TORONTO

Limitation of Agents' Fees Being Con-
sidered—American Agency System
on Sound Foundation

The competition of new companies, which in the old days meant rate cutting, is now characterized by paying excessive commissions to agents, said Commissioner C. D. Livingston of Michigan in commenting on the agency situation at the National Convention of Insurance Commissioners in Toronto this week. He said the early history of fire underwriting was marked by a constant tendency by new companies to cut the established rates and by the old ones when losses were favorable. After every conflagration there was a tightening up of rates for several years followed by a retrogression when the outlook was better. Anti-compact laws proved unsuccessful and the states turned about and passed anti-discrimination laws compelling the companies to collect the same rate from every assured. The payment of excessive commissions, the earmark of the present day competition caused by the organization of new fire and casualty companies during the last two years, has placed an unreasonable burden upon the insuring public and gives the agent more than his services warrant.

Logical Step to Consider

Mr. Livingston said that he knew some of his fellow commissioners were absolutely opposed to the limitation of commissions by state authority but it seemed to him to be the most logical thing for the states to consider. "Inasmuch as the commission is a considerable part of the premium," he said, "and if a department has authority to decide what are excessive rates, naturally the commission must be considered in such a determination, and at the present time commissioners are actually considering the commission paid by the companies."

"It has been fortunate for all of our states that our largest state in population and wealth has seen fit to limit the commissions on life insurance and certain lines of casualty insurance within its state and also to say to companies doing business in that state that commissions in other states must not exceed those paid in the state itself. I hope that the same state will include commissions on fire premiums with the other classes that are now controlled by it."

Excessive Commissions Dangers

There is a most pessimistic feeling in regard to the continuance of the American agency system among company representatives, said Mr. Livingston. "Some agents prophesy that within 25 years the American agency system, except for the smaller business, will be a thing of the past, but I am very optimistic that the American agency system is on a sound foundation and will adapt itself to any conditions that may come up."

Excessive commissions endanger the American agency system, said Mr. Livingston. In the first place high commissions on any class of business brings into the business all kinds of leeches who wish to share in the commissions.
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CONDENSED NEWS OF WEEK

Insurance commissioners hold annual meeting in Toronto. **Page 3**

Commissioner Dunham sees need for many changes. **Page 3**

Trouble is expected in southern California over separation movement. **Page 8**

Eastern Underwriters Association waives restriction on coinsurance clause as result of insureds' complaints. **Page 6**

Canadian superintendents hold brilliant annual convention at Toronto. **Page 5**

Commissioner Livingston of Michigan tells of problems created by new companies. **Page 4**

Corroon & Reynolds have been appointed manager of State Fire & Marine of Illinois. **Page 6**

Ben Franklin Fire of Louisville organized. **Page 12**

National Fire Waste Council announces program for semi-annual meeting in Washington, D. C., Oct. 1. **Page 16**

Clarence W. Hobbs tells Canadian

commissioners at Toronto that companies' charter powers should be increased to end stilted underwriting and investing. **Page 3**

Many notables drawn to Missouri's first Insurance Day scheduled at Jefferson City, Oct. 8. **Page 10**

Mississippi insurance commission orders reduction in rates. **Page 30**

Plans for the White Sulphur casualty convention are completed. **Page 41**

Massachusetts compulsory automobile liability insurance rates for 1930 have been promulgated. **Page 41**

New financial automobile responsibility law in New Jersey is interpreted. **Page 42**

The Great Eastern Casualty gets under way. **Page 42**

Companies still wary in writing motor bus liability offerings. **Page 44**

Clarence W. Hobbs tells commissioners at Toronto that a serious situation exists in compensation due to the fact that companies specialize on good risks and ignore bad ones. **Page 43**

Vital Subjects at Convention

Canadian Commissioners Discuss
Feasibility of Limiting Lia-
bility by Law

MUCH OPPOSITION AROSE

Some Company Officials Declared That
Such Legislation Tends to Unduly
Hamper Operations

CANADIAN SUPERINTENDENTS' NEW OFFICERS

President—H. G. Garrett, British
Columbia.
Vice-President—R. A. Dugal.
Secretary-Treasurer—R. Leighton Fos-
ter, Ontario.

TORONTO, Sept. 18.—At the meet-
ing of the Association of Canadian In-
surance Superintendents R. Leighton
Foster of Ontario espoused a movement
to limit the amount a fire or casualty
company can assume on a single risk
to 10 percent of its capital and surplus.
The model insurance code adopted by
the American Bar Association includes a
similar provision. Some company men
at the meeting opposed making a limita-
tion of this kind a statutory provision,
claiming it would tend to hamper pro-
gress and would always be ambiguous.
New York has a law of this kind. Mr.
Foster contended it had been success-
ful. He stated that had Ontario such a
law, it would have assisted him on many
occasions in staying the hand of weaker
or smaller companies that were inclined
to plunge.

Companies Oppose Movement

V. Evan Gray, counsel for the Cana-
dian Casualty Underwriters Associa-
tion, said the companies were not satis-
fied with the New York law and were
now endeavoring to secure cooperation
to bring about radical changes. Mr.
Gray held that the extent of a company's
acceptances could not well be adjusted
by statute. Lines differ in the hazards
involved. Let law establish a limit and
at once exceptions have to be made as
has been the case in New York. Some

Free Sample—of Ashes to Boost Fire Prevention

MILWAUKEE, Sept. 18.—One
of the most original methods for
arousing interest in fire preven-
tion week, which starts Oct. 6, is
being used by Walter S. Smith,
manager of the safety division of
the Milwaukee association of com-
merce, under which the fire pre-
vention section functions.

It consists of a free sample—a
small envelope containing ashes,
and Mr. Smith reminds citizens
that: "This is what you are sure
to have left after a fire."

"Insurance doesn't pay for all
the loss," Mr. Smith comments in
a note accompanying the packet of
ashes. "Fires in a community regu-
late the insurance rates—and the
home owner pays for every in-
crease."

classes, such as workmen's compensa-
tion, have no limit. Mr. Gray claimed no
practical method could be worked out to
form a satisfactory limit law. He con-
tended that the provincial superinten-
dents had ample authority to curb reck-
less practices. The proposed measure
applies only to stock companies although
weak mutuals are the ones most likely
to jeopardize their interests by writing
too large policies.

The fire insurance people declared it
is often difficult to say what is one
risk or one hazard. Difference of opin-
ion must arise as to what is exposure to
total loss to one risk. Floater policies
involve large liability but the amount of
single loss may be comparatively small.
Difference of opinion may arise as to
what is capital and surplus, especially
in applying the term to mutuals.

Extension of Credit

The question of legislation curbing the
undue extension of credit to agents and
assured came up. The company men
felt it would be unwise to take precipi-
tate action. It is difficult to apply a
general rule to credit. Credit for 60
days might well be given some but
would be dangerous to grant others.
The extension of credit is regulated by
custom and competition. Nothing of
practical benefit could come if the
provinces attempted to regulate this by
law. Once a limit be set and im-
mediately some would try to circumvent
(CONTINUED ON PAGE 47)

Shrine of Blue Goose Being Razed

The birth place of the Blue Goose, the
Oakwood hotel at Green Lake, Wis., is
being torn down to make room for the
erection of private summer homes.
Twenty-three years ago the Wisconsin
field men met there for their annual
meeting and founded the Ancient and
Honorable Order of the Blue Goose.

Atwater Devises Initiation

As the group of field men sat about
the lawn of the hotel talking, the idea
of holding an initiation of some kind
struck one of the group and Walter At-
water was instructed by the others to
devise some kind of an initiation and
form a society. Mr. Atwater went into
the hotel and later reappeared with a list
of the officers of the organization which
he called the Ancient and Honorable
Order of the Blue Goose. He read the
names of the officers: most loyal grand
gander, Walter Atwater; grand super-
visor of the flock, William E. Golden;
grand keeper of the golden goose egg,
George Roberts; grand custodian of the
goslings, Walter W. Conklin; grand
wielder of the goose quill, George Heller;
guard, Jerry Sullivan. The members of

the degree team made up the ritual as
the ceremony went along. The charges
and obligations of the officers were
stated as they thought of them. In
conclusion the members were warned to
"tote fair," and this has become the
watchword of the order which is taught
every gosling.

When the grand nest meeting was
held in Milwaukee in September, 1926,
a pilgrimage was made to this shrine
of the Blue Goose and the original cere-
mony was re-enacted.

Old Hotel Dismantled

The Oakwood hotel, built in 1866, has
not been open to the public for several
years. Recently the furnishings were dis-
posed of at an auction. The hotel build-
ing was a long rambling L-shaped struc-
ture, two and three stories high with bal-
conies running the full length of each
floor. Black walnut woodwork was the
setting for unique carvings and odd dec-
orations imported from Europe. The
cuisine of the hotel was excellent and
in its register bears the names of famous
diplomats, authors, artists and business
men of older days.

Barber & Baldwin Cover New All-metal Dirigible

NEW YORK, Sept. 18.—Barber &
Baldwin of New York, underwriting
agents for the Aero and Aero Indem-
nity, aided in giving recognition to a
new type of aircraft by insuring under
a comprehensive policy, with five limits
of \$300,000, the new all-metal dirigible
which was accepted by the United States
navy this week.

The craft was produced by the Detroit
Aircraft Corporation and coverage was
sought by that company without suc-
cess. As a new and unknown type of
carrier, no underwriting office would
accept the risk. The Aero Engineering
& Advisory Service, however, investi-
gated the new type craft and approved
its technical structure, recommending it
as an insurable risk to Barber & Bal-
dwin. A line of fire, accidental damage,
public liability and property damage
was written, covering all test flights for
two months, including the delivery flight,
when it is turned over to the navy. This
is the first all metal dirigible to be con-
structed, no balloons being used within
the metal bag.

Seabury Heads Chicago Commercial Association

Civic honors were awarded Charles
W. Seabury, vice-president of Marsh &
McLennan, this week when he was
chosen president of the Chicago Asso-
ciation of Commerce to fill the unex-
pired term of Frank F. Winans, who
recently resigned to move to New York.
Mr. Seabury's election was voted unani-
mously by the 27 directors when he was
proposed by Mr. Winans. The insur-
ance man will hold office until the
annual election in December.

C. E. Case's Wife Dies

Charles E. Case, assistant manager of
the North British & Mercantile, lost his
wife Sunday evening. Mrs. Case had
been ill for a long time but her sudden
death was unexpected. She is survived
by her husband, two daughters and a
son. Funeral services were held at the
home in Summit, N. J., Wednesday
morning.

Every wide-awake local agent should
read his personal copy of THE NATIONAL
UNDERWRITER.

Take Prominent Part in Meeting of Commissioners at Toronto



R. LEIGHTON FOSTER, Toronto
Secretary Canadian Association and
Official Host



C. C. WYSONG, Indiana
First Vice-President Insurance Commis-
sioners Convention



JESS G. READ, Oklahoma
Second Vice-President of Commissioners
Convention



ALBERT CONWAY, New York
Speaks on Investments at Toronto
Meeting



COVERAGES EFFECTED

FIRE,
AUTOMOBILE,
TORNADO,
RENTS,
LEASEHOLD,
EXPLOSION,
RIOT and CIVIL
COMMOTION,
PROFITS AND
COMMISSION,
USE & OCCUPANCY

AUTOMOBILE COVERAGE

Hit 'em Hard in the Fall!

The harvest moon looks down on the fields of crops—and the business field, no less. Time is ripe, too!—with this difference: While the farmer may be "slow motion," certain it is that the business man cannot afford to be—especially during the harvest season, when it is more than ever a case of "first come, first served." A bumper crop awaits the Patriotic agent who maintains the traditional family pace. The family record is inspiring—

"Back of the Patriotic is the Sun"

PATRIOTIC INSURANCE COMPANY of AMERICA

HEAD OFFICE
55 FIFTH AVENUE, NEW YORK

OSWALD TREGASKIS, President

WESTERN DEPARTMENT
WRIGLEY BLDG., CHICAGO
JOHN F. STAFFORD, Manager

PACIFIC DEPARTMENT
SAN FRANCISCO
G. A. HENRY, General Agent

E. U. A. Waives Coinsurance Restriction in New Jersey

HEED PUBLIC'S COMPLAINTS

Agents to Receive Usual Commissions
—New Companies Admitted at
Organization Meeting

NEW YORK, Sept. 18.—Henceforward agents in New Jersey will receive the scale of commissions set forth in the agreement of the Eastern Underwriters Association on July 1, whether the business be written with the coinsurance clause attached or not. Decision to that end was unanimously reached at the special meeting of the E. U. A. following recommendation of its New Jersey committee.

When some weeks ago the New Jersey agents sought better commissions upon certain classes of risks, especially educational institutions, garages, hotels, public institutions, lumber, mercantile buildings and their contents, piers, and merchandise thereon, public buildings, public utilities, religious institutions, special hazards, if single occupancy, and warehouses, the concession was allowed, providing the 80 percent coinsurance clause was used in conjunction with the coverage. The reservation was not acceptable to the financial institutions of New Jersey, and particularly to building and loan associations, which were concerned only in insurance to the amount of their property equities, and insureds flatly announced that unless the indemnity sans the coinsurance requirement were granted them by E. U. A. companies they would secure the protection from nonaffiliated institutions.

Expected Clause to Be Waived

The attitude of the assured was made plain by the agents to the New Jersey committee of the E. U. A. and while the latter body refrained from offering any comment other than the promise to submit the matter at a special meeting of the organization, the impression generally was that the coinsurance clause requirement would be waived. Hence there was no surprise when this action was taken.

Unanimous consent was given to the proposal that mutuals domiciled in New Jersey as well as those maintaining home offices in Pennsylvania, Maryland and Delaware be permitted representation in stock agencies within their respective states without prejudice. This action was in line with that previously taken with respect to mutuals and cooperatives in New York and New England. Few mutuals are located in New Jersey, and such as do exist are comparatively small affairs.

The Central Union, Fulton Fire, Great Eastern Fire, Southern Fire and the Transportation Fire were admitted to the association, thereby increasing its membership to 180 companies.

The separation movement in New Jersey becomes effective as of Oct. 1. While many agents will defer decision in the matter until the 11th hour, companies report that a considerable number already have elected to stick to their E. U. A. companies and have signed the required agreement. That many others will also conclude to do so is regarded as a foregone conclusion, and managers of association offices, who heretofore have been dubious as to the outcome of the program, now express the utmost confidence in its success.

New Chicago Reciprocal Licensed

The United Automobile Casualty Insurance Underwriters of Chicago, a reciprocal writing automobile full cover, has been licensed by the Illinois department. The United Underwriters Company is the attorney-in-fact, with M. G. Flynn as president, and Gustav Buchholtz, secretary.

Corroon & Reynolds Gets State F. & M. of Illinois

FORMERLY IROQUOIS FIRE

R. A. Corroon Elected Chairman of Board—Capital Increased to \$1,000,000 with 100,000 Shares

Corroon & Reynolds has been appointed manager of the State Fire & Marine of Illinois, formerly the Iroquois Fire, which was incorporated March 22, 1920. At a special meeting of stockholders recently held the par value of the shares was reduced from \$50 to \$10, and the authorized capital increased from \$250,000 to \$1,000,000, to consist of 100,000 shares, par value of \$10 each.

R. A. Corroon was elected chairman of the board of directors, Henry W. Lynch continuing as president. Mr. Lynch, who has been active in the development of the company's affairs, is also vice-president of the Central National bank and a member of the board of the Dime Savings Bank & Trust Company of Peoria.

Al C. Schmuke, secretary of the State Fire & Marine, will continue in charge of its interests in Illinois, Missouri and Iowa, with headquarters at Peoria. All other operations of the company will be conducted from the offices of the manager in New York and Chicago. It is the intention of the manager, through the State Fire & Marine, to intensively develop the mid-western territory and in that connection the company will be an important adjunct to the Corroon & Reynolds organization.

The State Fire & Marine will be associated with following companies: American Equitable of New York; Bronx Fire of New York; Brooklyn Fire, Globe of America, Independence Fire, Independence Indemnity, Jefferson Fire, Knickerbocker of New York, Long Island Fire, Merchants & Manufacturers Fire, Republic Fire of Pittsburgh, Pa., andsylvania.

According to the mid-year statements, the assets of the above mentioned companies approximate \$90,000,000. Their nationwide facilities will be available to the agents of the State Fire & Marine, thus giving them the full underwriting capacity of the Corroon & Reynolds group.

Growing Power Is Now Noted

(CONTINUED FROM PAGE 4)

of conference machinery with the companies. The National Board evidently has no facilities for holding conferences with agents. It seems unfortunate that there is not a general company body that can deal with the agents on subjects of mutual concern. Therefore, the plan inaugurated at this meeting of having sectional conference committees to deal with company organizations in their territory may be a fairly good substitute.

All in all, it can be truthfully said that this meeting of the National association was impressive from the standpoint of increased mass strength. If the large city agents can now be actively enlisted in the cause it will give the organization powerful momentum.

Engineer Becomes Army Aviator

LOUISVILLE, Sept. 18.—Through the selection of George G. Blair, engineer of the Kentucky Actuarial Bureau, as one of the civilians to take the army primary flying service course, the bureau is losing one of its most competent engineers. Mr. Blair has been with the bureau since 1922. He was one of the first graduates of Armour Institute in the special course for insurance engineers, and had become superintendent of the service department of the bureau in Louisville. Mr. Blair is deeply interested in aviation and has been studying it for some years.



SUCCESSFULLY MANAGED

Telephones - aeroplanes - automobiles - have been swept to success and great cities built through competent management

UNIVERSALIZE YOUR AGENCY

You will find management that will help you win automobile insurance leadership in your community

A Specialized Service--

A World of Protection

Automobile Insurance Exclusively





OLD boy Jupiter had his weak moments, for this sovereign of the world was inclined to disport with the fair daughters of his contemporaries . . . that is, unless his jealous spouse, Juno, appeared on the scene. Then he had to resort to subtle subterfuge and fling a cloud around his trysting place or transform himself or companion into an animal for the moment. But even then Juno was seldom fooled.

MARRIAGE is a sacred pact that cannot successfully be infringed upon by outside attractions. It is somewhat that way with Home Agents and their clients. To live in the same com-

munity and come in frequent contact with his clients is the lot of the Local Agent. The relation is a personal one not to be violated by the Company.

*JUPITER
led JUNO a
MERRY CHASE*

The HOME

Wilfred Kurth, President



NEW YORK

Cash Capital—\$18,000,000

Southern California Sore Spot in Separation Plan

WHITTIER AGENTS OBJECT

Company Officials Say Situation Is Improved—Many Offices Report Majority of Agencies Cleared

SAN FRANCISCO, Sept. 18.—Reports from southern California indicate that trouble may be expected there in the separation movement unless some changes are effected before Oct. 1, when the companies are all expected to be either in clear agencies or withdrawn from the mixed representatives' offices. According to a resolution adopted by agents at Whittier a fight is anticipated, for an organization has been effected and a resolution adopted stating that these agents agree not to cut rates any more than 30 percent below the published rates.

These reports also say that special agents of board companies are making promises to agents that relief measures will be put into effect in the near future unless the situation is cleared to the extent desired.

Officials of the Pacific Board, when questioned as to these activities, said that no agent or special agent has been authorized to discuss, promise or threaten rate cutting or relief measures of any kind; that the conditions in some of the southern California cities, such as Whittier, Long Beach, Santa Ana and Glendale, are being given careful consideration and that the board companies will positively withdraw from any agency in these districts which does not sign the agency agreement. In the event the situation does not clear itself, then the Board may be forced to step in and take steps to protect the business on the books of these companies.

Company managers have reported that the situation as a whole was considerably improved over a few weeks ago and that many offices are reporting as high as 90 percent of their agencies signed up on the separation agreement. Others are slightly behind, but expect to lose but few desirable agencies as a result of the movement.

NATIONAL BOARD REPORT IS MADE ON READING

The engineers of the National Board find that the last five years there was a fire loss of \$1,855,333 at Reading, Pa., being an average loss per capita of \$3.27. The engineers say that the water supply is mainly reliable and comes from normally ample sources. There are fair to good quantities available in the principal mercantile district and good elsewhere. There is a volunteer fire department, its service being inefficient and unsatisfactory. The fire alarm system is also counted unreliable and inadequate. The engineers say that the principal mercantile district is composed mostly of joisted brick buildings, mainly small and low but of weak construction. The streets are mainly moderate in width. High winds are infrequent. The water supply is fair to good. The fire department is inefficient owing to its operation on a volunteer basis. The probability of fires involving a block or major part is high but the liability of extending beyond is moderate. Manufacturing plants are fairly well equipped with private fire apparatus and are isolated or surrounded by residential districts.

Wisconsin Mutual to Extend Field

SHEBOYGAN, WIS., Sept. 18.—The Mutual Automobile of the Town of Herman has adopted a resolution providing that the company extend its territory so as to include the entire state of Wisconsin. Heretofore the company confined its business to Sheboygan county and parts of Manitowoc county.

Sometime, someone, will suggest— sprinklers to your best risks!



FACE this fact. How long can you expect to collect commissions on unprotected fire risks? Wouldn't it be pretty soft to get insurance against competition in your own business?

Not by playing golf regularly with your best risks. But giving better *Service* and giving it *first*.

Get your large line clients better rates by making them better risks. Grinnell sprinklers give better protection at so much lower rates that savings in premiums over four to five years usually takes care of the greater part of installation costs. Longer terms can be arranged.

We can show many examples of such savings pleasing clients to such a degree that they readily agree to the agent's suggestion that he write other lines of insurance—Use and Occupancy, Steam Boiler, Machinery Breakage, etc. —which seemed out of the question until the savings made possible by sprinkler installation were proved to

them. Such service makes clients boosters for their agents.

RIDE WITH PROGRESS

Let us help you before some other wide-awake agent gets *your* business. Grinnell, oldest and largest maker of sprinkler systems, prepares sprinkler estimates, handles complete installation, and finances the project out of savings in premiums with little or no capital expenditure by the client.

"The Local Agent and Automatic Sprinklers"

A complete, authoritative booklet sent free on request.

Name _____

Address _____

Grinnell Co., Inc., 251 W. Exchange St.,
Providence, R. I.

GRINNELL COMPANY

Executive Offices: Providence, R. I. Branches in all principal cities

Specialists

In Automobile Insurance

JUST AS you specialize in one line of endeavor—insurance—so does ATLAS Casualty Company specialize in just one line—automobile insurance.

ATLAS provides full coverage automobile insurance—fire, theft liability, property damage, collision, tornado, plate glass—writing any or all coverages in one policy; it provides facilities for handling one risk or fleet with equal efficiency; it adjusts all claims promptly and satisfactorily; and it writes automobile insurance exclusively, devoting all its time to serving its agents and its policyholders.

Specialists in automobile insurance, ATLAS Casualty Company offers you the benefits of this specialization in an unusually attractive agency contract together with a sound and complete automobile insurance policy.

Atlas

Casualty Company

EXECUTIVE OFFICES
Fort Wayne, Indiana

OPERATING IN INDIANA, ILLINOIS, OHIO, MICHIGAN,
MISSOURI AND PENNSYLVANIA

C. G. Wheeland Forms Motor Club to Combat Reciprocals

AGENTS TO CONDUCT UNITS

Mechanical Services Offered Members Through Local Insurance Men; Plan National Advertising Campaigns

The Trans-America Motor Club, headed by C. G. Wheeland, former general agent at San Francisco, will begin operations this week. A. A. McKinley, Chicago attorney, and Joseph McIneney, San Francisco attorney, have aided in the organization plans. The new organization plans to aid agents in combating reciprocal insurance. Mr. Wheeland feels it is not reciprocal insurance as much as motor club service such as towing, roadside repair, changing tires, free legal advice, gas, oil service, which is attracting automobile owners to the reciprocal camp.

The Trans-America Motor Club will grant franchises to agents in different communities in the United States and Canada. Each franchise owner will operate his own motor club unit and will be absolutely independent of all other units. The club will advertise in the leading national magazines, and bill boards, circulars and local newspapers will be used in selling the Trans-America Motor Club to the public.

No Insurance Involved

A franchise in the Trans-America leaves the agent free to write his automobile insurance as he pleases. The insurance agents will organize local units and arrange for local service facilities for members. They will secure supplies, emblems, identification cards and advertising from the new motor club.

The franchise holder sells memberships in the club for \$12 a year, which entitles the holder to towing service, 30 minutes roadside repair, tire changes for women, transportation of gas and oil, legal advice, touring information, road maps, enamel radiator emblem, identification tags and a theft bureau and license service.

The memberships which the agents sells for \$12 will cost him \$4. He has \$8 out of which to pay the service charges of his members and secure a profit. It is the general experience of motor clubs that the service involves an actual money outlay of \$3 a member. On this basis the agent makes \$5 on every membership besides securing good will and insurance. The club also has a plan whereby the agent, if he so desires, may have the head office of the motor club assume the service charge costs under these memberships. The club will be located in Chicago.

Hold First Insurance Day in Missouri Oct. 8

MANY NOTABLE SPEAKERS

Annual Convention of Missouri Agents' Association Succeeding Day at Jefferson City

A large attendance and many interesting and instructive addresses and discussions are expected at Missouri's first Insurance Day to be held in Jefferson City, Oct. 8, starting at 10 o'clock in the morning, according to Wilbur F. Waring, Jr., secretary of the Missouri Association of Insurance Agents. Headquarters will be in the Missouri hotel.

Formal features on the program will be held in the house of representatives in the capitol building but open house will be held by all agencies.

The Missouri association will hold its annual meeting Oct. 9 at Jefferson City, headquarters being in the Missouri hotel. The program will be announced next week. Complete program for Insurance Day follows:

Details of Program

Introduction, T. S. Ridge, Jr., general chairman, Insurance Day; president, Missouri Association of Insurance Agents, Kansas City.

Address of welcome, Henry S. Caulfield, Governor of Missouri.

Address, "Insurance Day and Public Relations," Frank M. Chandler, "Father of Insurance Day," western manager, Employers Liability, Chicago.

Address, "The Work of the Insurance Department," J. B. Thompson, superintendent of Missouri.

Recess for luncheon at Missouri Hotel, afternoon session convenes at 2 p. m.

Address, "Telling the Story of Insurance," Henry Swift Ives, special counsel, Association of Casualty & Surety Executives, New York.

Address, "The Profession of Insurance," W. T. Grant, president Business Men's Assurance, Kansas City.

Address, "The Business Trend from the Agent's Standpoint," Clyde B. Smith, president, National Association of Insurance Agents, Lansing, Mich.

Address, Fire Insurance Topic (speaker to be announced).

Discussion, "Benefits of Insurance Day."

Election of next year's officers and committees.

Adjournment.

Evening entertainment—Barbecue for all in attendance at McClung state park, 6:30 p. m., in charge of Henry C. Asel, former chief clerk, Missouri department, and now secretary and treasurer, United Mutual Insurance Association, Jefferson City. Following the barbecue there will be a dance in the dancing pavilion with entertainment and vaudeville between dances.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

SUBURBAN RATES REDUCED

As a result of recently concluded surveys by representatives of the insurance department and of the New York Fire Insurance Rating Organization, a reduction, ranging from 25 to 30 percent will be effected in dwelling house risks in Queens Village, South Woodhaven, Ozone Park and Richmond Hill. It developed that roads in the communities had been materially improved of late, hence the charge for inaccessibility was no longer warranted.

* * *

CONFER ON FLOATER COVERS

With a view to bringing about improved conditions in the writing of parcel post, tourist floater and jewelry covers, a general meeting of all carriers will be held in New York Oct. 14, at which time the various sub-committees previously assigned to consider respectively the matter of rates and forms,

commissions and membership will report, and the reorganization of the existing conferences on more efficient lines will be taken up. While the volume of general business in each of the three lines continues to increase, the entry of additional companies into the business during the past two years has intensified competition to such an extent that it is a question whether any individual office is adding to its premium income. Most companies consider themselves fortunate if they can maintain the volume previously reported.

* * *

NIAGARA TRANSFER MADE

The transfer of all departments of the Niagara Fire, Maryland and Niagara-Detroit Underwriters, which organizations were recently acquired by the Continental and Fidelity-Phenix, to the home office departments of the America Fore group, in progress for several

BACKGROUND

112 YEARS SUCCESSFUL

BUSINESS.

Founding
1817

Capital
\$5,500,000.

The Reliance
Insurance Company
Capital \$1,000,000.

Victory
Insurance Company
Capital \$1,000,000.

Constitution Indemnity Company
Capital \$1,000,000.

Philadelphia
Atlanta, Chicago, Dal-
las, San Francisco,
Montreal, Havana.

ALMOST EVERY KIND

INSURANCE

EXCEPTING LIFE.

Fire Association and Affiliated Companies

FIRE ASSOCIATION OF PHILADELPHIA
For Fire over a Century
Sound Insurance

weeks, has not been completed. The executive staffs of the western and southeastern departments are now located at 80 Maiden Lane, where the bureaus are being consolidated with the corresponding departments of the America Fire group. There will be no change in the address of the local and brokerage departments of the Niagara and Maryland, which continue at 95 Maiden Lane, the former supervised by Secretary Henry J. Zechlin and the latter managed by Philip W. Barnes.

GREAT EASTERN EXPANDING

Licensed by the New York department, the Great Eastern Fire of White Plains will next enter Connecticut, extending into other eastern states from time to time as opportunity for securing proper field connections offers. The initial capital of the company is \$250,000, with a like amount of surplus. The prospectus advises that the plan is to secure as stockholders of the company local agents, feeling that the dual interest of the latter will induce their favoring the Great Eastern Fire with a fair percentage of their choice business. It is intended to write conservatively, the effort being to secure risks of the proper type rather than to seek premium volume, while administrative expense is to be held within close limits. The directors are all men of high standing in their home community, the majority having had extended experience in the underwriting field.

BENNETT HONORED AT LUNCHEON

Upon completion of 25 years' service with the National Board of Fire Underwriters, Robert C. Bennett was the guest of honor at a luncheon tendered him Monday, and was also presented with a handsome ship's clock.

W. E. Mallalieu, general manager of the National Board, acted as toastmaster at the affair, at which company executives were represented by B. M. Culver, O. E. Schaeffer and L. J. Bor-

land, all members of the committee on engineering and fire prevention.

Mr. Bennett, in outlining conditions in the business a quarter of a century ago, stated that since that time practically all important changes have been due to engineering recommendations. As the first member of the board's 25-year club (having served 29 years) Mr. Mallalieu welcomed the new entrant into the fold.

George W. Booth and A. C. Hutson, chief engineer and assistant chief engineer, respectively, of the National Board, too will shortly round out 25 years' service.

INSURANCE STOCKS FIRM

Despite the unsettled condition of the security market during the past week, insurance stocks, to quote from the weekly investment bulletin of Gilbert Elliott & Co., "gave a good account of themselves, all offerings being readily absorbed and leading issues continuing to move forward. Providence-Washington entered new high ground, closing at 1050, and Globe and Rutgers rose 20 points on strong demand. Home advanced to 678, a new high for the present move. The volume of trading in the other members of the 'fleet' was of considerable proportions though no startling gains were recorded. Franklin was well bought at 245. St. Paul Fire and Marine reached 240 on a moderate turn over. North River and Travelers met with some selling at the higher levels, the former closing at 455 and the latter at 1840, both unchanged from last week."

The fire agent who understands the making of fire insurance rates may be able to save his clients or prospects many thousands of dollars. In doing this he is not only building up good will but making new customers and prospects. A knowledge of rate making is essential. The *Denn Schedule Training Course* published by The National Underwriter Company, 420 East 4th street, Cincinnati, O., will explain this schedule to you. Send for free booklet describing the course.

Ben Franklin Fire Gets Under Way in Louisville

REUTLINGER IS PRESIDENT

Reinsurance Contract Made with North America; H. A. Miller and W. H. Riker Are Officers

LOUISVILLE, KY., Sept. 18.—The Ben Franklin Fire has been organized here by the Reutlinger interests largely identified with the Franklin Title & Trust Co. and the Franklin Bond & Mortgage Co. A reinsurance agreement has been made with the North America. The officers of the Ben Franklin Fire are Joseph H. Durham, chairman of the board; Adolph Reutlinger, president; James P. Thompson, vice-president; William H. Riker, vice-president; Albert Wiegand, vice-president; R. C. Day, secretary and treasurer, and H. A. Miller and Farris Harmon, assistant secretaries.

Among the directors are: Hugh Nevin, president of Nevin, Morgan & Kolbrook; Emanuel Levi, Louisville publisher; George C. Weldon, president of J. V. Reed & Co.; J. W. Fowler, vice-president and attorney, for the Franklin companies; Lee L. Miles, president of the Louisville Taxicab & Transfer Co.; Frank Thompson, president of the Glenmore Distilleries Co.; Urban J. Alexander, vice-president of the Franklin companies; F. J. Dolle, president of the Fourth Avenue Amusement Co.

Edward S. Knapp active in the insurance field of Kentucky for 23 years will be supervisor of the agency plant. Agencies have been planted with Gibson-Winer & Co., Louisville, and Griffith-Tipton & Co., Lexington.

Mr. Knapp also is state agent of the Lafayette and the Central States Fire.

Mr. Reutlinger has had a wide experience in the insurance business for the past 18 years in the Kentucky and Tennessee field. Mr. Wiegand has been manager of Reutlinger & Co. for the past 13 years. Mr. Riker and Mr. Miller are both assistant managers of the North America. Mr. Harmon has been connected with the Louisville insurance business for many years.

The home office is located in the Franklin Title & Trust building, 508 West Jefferson street.

REPORT ON CLARKSBURG, W. VA.

Average Loss Per Capita Low—Fire Department Weak in Men and Equipment

National Board engineers have reported on Clarksburg, W. Va. The report shows that the gross fire loss for the past five years, as given in the fire department records, amounted to \$107,843. The annual loss ranged from \$6,630 in 1927 to \$30,688 in 1926. The average annual number of actual fires was 39, with a loss per fire of \$550, a moderate figure. Based on an average population of 30,900 the average annual number of fires per 1,000 population was 1.26, a low number, and the average loss per capita was 70 cents, a very low figure.

Weak Fire Department

The engineers found the water supply normally adequate, and fairly reliable; fire flow good in principal districts, but deficient in many other sections. Fire department seriously weak in men and equipment. No fire alarm telegraph.

General hazard is moderately high for the principal mercantile district as a whole. The probability of serious group fires in this district is high by reason of a weak fire department, lack of protection to the many exposed windows and the small amount of automatic sprinkler protection. In other districts the hazard is moderate.

CORROON & REYNOLDS

Incorporated

Announces its appointment as manager
of

STATE FIRE & MARINE INSURANCE COMPANY of ILLINOIS
(Formerly Iroquois Fire Insurance Company)

Stockholders have authorized increase in
Capital to \$1,000,000

Company will operate in association with
the group of companies now under the
same management, the assets of
which companies approximate
\$90,000,000

NEW YORK
92 William Street

CHICAGO
Insurance Exchange



No Bridge Is Stronger Than Its Plans

Just as the strength and fitness of a bridge is determined when its plans are drawn and specifications made, the value of an appraisal depends to a large extent upon the intelligence with which its specifications are drawn.

Today the "single purpose appraisal" has a limited value. The property owner who has an appraisal made to determine the insurable values of his properties has in mind a long series of secondary uses for that appraisal.

And the value of the appraisal for meeting those many needs depends upon the clarity with which the appraisal organization understands the needs, the foresight with which it adapts its appraisal services to those needs, and the intelligence which it displays in making the appraisal conform to carefully drawn specifications.

The planning and designing aspects of The American Appraisal Company's services are among the many important advantages which it has to offer, for upon them depends the continued utility of American Appraisal reports.

This is important, we believe, to the insurance man who recommends appraisal service to his clients. When he recommends an American Appraisal, he knows that it will provide the assured not only with the most authoritative statement of insurable values, but with a report of wide and varied utility in the operation, financing and accounting for his property.

THE AMERICAN APPRAISAL COMPANY

Atlanta
Boston
Baltimore
Buffalo
Chicago

Cleveland
Cincinnati
Detroit
Dallas
Indianapolis

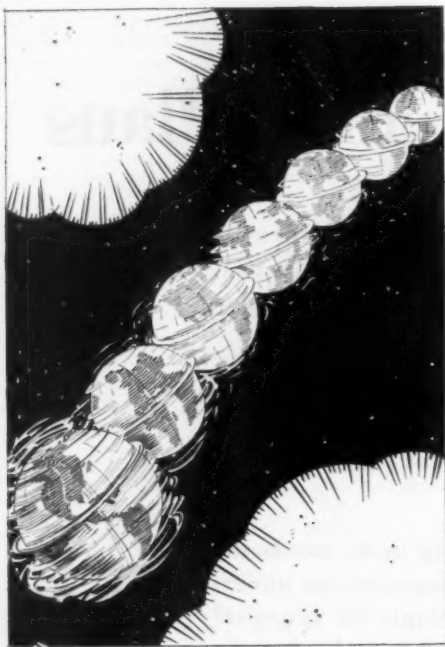
Kansas City
Los Angeles
Minneapolis
Milwaukee
New Orleans
Berlin, Germany

New York
Philadelphia
Pittsburgh
Syracuse
St. Louis

San Francisco
Seattle
Tulsa
Chattanooga
Washington

A N A T I O N A L O R G A N I Z A T I O N

The Distinctiveness of the Trinity Fire Is Primarily Attributable to its Modern Conception of Fire Insurance



IN THE MODERN TEMPO

These are not the good OLD days — these are the good NEW days. A NEW day company is needed to serve properly the NEW day demand.

Cash Capital one million dollars



NEWS OF THE COMPANIES

GREAT EASTERN FIRE STARTS

New Company Just Licensed in New York Plans to Enter Connecticut—Organization Expense Low

The Great Eastern Fire of White Plains, N. Y., began writing business this week following its licensing by the New York department. It starts with \$250,000 capital and a similar amount of surplus, and in addition it has approximately \$20,000 additional surplus remaining from the \$25,000 paid in by stockholders for organization and equipment expenses. The expense of organization was only \$3,000. Stock with \$10 per value was sold for \$21.

Certificates of authority to 51 agents in New York, all of whom have purchased the company's stock, will be asked of the New York department by President Allan C. Stevens. The Great Eastern also has sold stock to a number of Connecticut local agents who will represent the company as soon as it is licensed there. Application for admission to Connecticut will be made soon and for the present the Great Eastern will confine its operations to the two states.

The officers are: Chairman of the board, Frederic H. Hurdman; president, Allan C. Stevens; vice-presidents, Phillip A. Murray and Sidney W. Goldsmith; secretary and general counsel, Charles T. Fenno, and treasurer, J. Crawford Stevens.

President Stevens will be in direct charge of the company. He is also president of Knox, Lent & Stevens, a prominent local agent of White Plains, and has been in the business for more than 20 years, starting as a clerk in the home office of the Home of New York. Later he went with the Phoenix of London and then was a special agent in suburban and New England fields before he became a local agent eight years ago.

Agricultural and Empire State

Through a regrettable typographical error, THE NATIONAL UNDERWRITER in mentioning the intended capital increases of the Agricultural and its running mate, the Empire State, last week stated that when the new financing program of the companies was completed the former would have assets of \$17,500. Obviously this should have read \$17,500,000. The Empire State's total assets will be \$2,525,000, and not \$225,000 as erroneously stated. The Agricultural is one of the time honored fire companies of the country and when its new financial setup is completed, together with that of its related enterprise, will go forward to increased usefulness to the insuring public.

People's of Maryland

It is reported that the People's Fire of Frederick, Md., is planning to increase its capital from \$200,000 to \$1,000,000. The company now has total resources of \$581,000. Organized in 1908, it confined its operations for many years to its home state. In recent years it has been branching out somewhat, entering several other states, and now is said to be contemplating still further expansion. Last year its total premiums aggregated \$270,000 compared with \$182,000 the previous year. In 1926 premiums totaled \$124,000. It is thus seen that the company has been showing substantial increase in premiums for the past several years.

Dixie Fire

Having secured control of the Dixie Fire of Greensboro, N. C., the American of Newark, through President C. W.

Bailey, has addressed all agents of the former company, advising them of the change and welcoming them into the American family. The Dixie will continue to be operated as a North Carolina corporation, "augmented by the financial strength and usefulness resulting from its affiliation with the American, the Columbia Fire of Dayton and the Bankers Indemnity."

Crum & Forster

Directors of Crum & Forster at a recent meeting decided to increase the dividend rate of the \$10 par value B stock to 10 percent, payable in quarterly installments. The rate was formerly 9 percent.

Monarch Fire Licensed

The new Monarch Fire of Cleveland has been licensed by the Ohio insurance department. Ralph Rawlings, president of the new Cleveland company, was formerly co-manager with B. L. Hewett of the western department of the Boston and Old Colony at Lansing, Mich.

Italian-American F. & M.

Under sanction of the insurance department 100,000 shares of the recently incorporated Italian-American Fire & Marine of New York City are being offered for public subscription at \$33.50 per share.

Difference in Method of Conducting the Meetings

TORONTO, CAN., Sept. 18.—As the National Convention of Insurance Commissioners and the Association of Canadian Insurance Superintendents both met here this week, the method of procedure can be compared. At the Canadian meetings the agenda is carefully prepared beforehand, with a brief explaining and elucidating each special subject, signed by one or more of the superintendents. Most of these are committee reports. Each topic is carefully treated and the printed reports are circulated among those interested.

At the meetings the Canadian superintendents all sit at the table at the head of the conference. A subject is reached. Company or organization officials, attorneys or others then discuss the subjects presented, with the commissioners asking questions or making comment.

At the United States meetings, the discussions are among the commissioners themselves, unless there is some special order, when the privilege of the floor is granted to outsiders. The Canadians are more systematic and orderly in their procedure.

Report Detroit F. & M. Sold to Phoenix of Hartford

DETROIT, Sept. 18.—The best information available is that control of the Detroit Fire & Marine will soon pass to the Phoenix of Hartford. The report has been passing through banking and insurance offices for some days. The formalities have not been complied with but the arrangements have been made.

The Detroit Fire & Marine has been in operation since 1866 and is entered in all sections of the country. Its last annual statement showed capital of \$1,000,000, net surplus \$1,361,508 and total admitted assets \$4,526,195. Its net premiums last year were \$1,695,082 and its total income \$1,900,642. It is a choice institution with a fine business and agency plant. It will give the Phoenix group an added momentum. The independent companies are thus fast being gobbled up.

BRITISH AMERICA

Assurance Company

Toronto, Canada

Incorporated 1833

CITY

Insurance Company

of Sunbury, Pa.

Incorporated 1870

WESTERN

Assurance Company

of Toronto, Canada

Incorporated 1851

UNITED STATES FIRE

Insurance Company

of New York

Incorporated 1824

Assets\$38,570,144

Liabilities 18,524,501

Capital 4,000,000

Net Surplus 16,045,643

**CRUM & FORSTER
MANAGERS**

110 William St.

New York City

DEPARTMENT OFFICESWestern Dept.
FREEPORT, ILL.Southern Dept.
ATLANTA, GA.Pacific Dept.
SAN FRANCISCO, CAL.North Carolina Dept.
DURHAM, N. C.Allegheny Dept.
PITTSBURGH, PA.**NORTH RIVER**

Insurance Company

of New York

Incorporated 1822

Assets\$25,722,401

Liabilities 11,924,198

Capital 2,000,000

Net Surplus 11,848,203

UNION FIRE

Insurance Company

of Buffalo, N. Y.

Incorporated 1874

RICHMOND

Insurance Company

of New York

Incorporated 1907

METROPOLITAN FIRE

Insurance Company

of Chicago, Ill.

Incorporated 1903

ALLEMANIA FIRE

Insurance Company

Pittsburgh, Pa.

Incorporated 1868

**UNITED STATES
Merchants & Shippers
Insurance Company**

of New York

Incorporated 1866

**NEW YORK STATE
FIRE**

Insurance Company

of Albany, N. Y.

Incorporated 1836

Pointing prospects to Alliance Insurance and the Alliance Agent



THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA

Head Office: 1600 Arch Street, Philadelphia

CHICAGO
209 W. Jackson Blvd.

SAN FRANCISCO
231 Sansome Street

ATLANTA
8th Floor, Hurt Bldg.

Union Holds 50th Year Celebration Next Week

IMPORTANT PROBLEMS UP

Record Attendance at the Golden Anniversary Meeting Is Indicated by Acceptances

Undoubtedly a "post mortem" over the Missouri rate controversy and the ensuing agreement that will cost fire carriers a great deal of money in extra clerical help, waived commissions on excess premiums returned to policyholders and other factors will occupy prominent place in deliberations of the Western Union at Old Point Comfort, Va., early next week. Unusual interest has been stirred up because this is the 50th anniversary meeting.

Fire managers in western departments are having mild attacks of nervous prostration when they contemplate the huge expenses that are piling up in the Missouri case.

It is believed the Subscribers Actuarial Committee will report on the litigation settlement and ensuing problems during the Union's annual meeting, which is the golden anniversary of its founding.

Attorney's Fees Heavy

Of course the fees of counsel are among the heaviest items arising from the Missouri rate case. They involve not only the long services of large staffs of skilled attorneys, but also elaborate tabulations and exhibits prepared in an attempt to appeal to reason in Missouri. However, another large item is cost of maintaining special clerical staffs to carry out the work of refunding excess premiums, and still another important cost is commissions of agents on these excess premiums, which the companies have waived.

This will be the first meeting of the Union since the affair was compromised in Missouri, and there is little question but that the managers will give free rein to expressions of opinion about the whole matter.

Reports On Other States

The Subscribers Committee also is expected to report on rate litigation in Kentucky, Kansas and Illinois, all important matters.

Acceptances indicate that the 50th annual meeting of the Union will establish a record in its history. F. P. Hamilton, president of the Queen and former western manager, who is chairman of the Union's executive committee, will render his annual report, which it is believed will contain many matters of vital importance in central territory. W. B. Flickinger, assistant western manager of the North America, will deliver his annual address as president of the Union, taking up many other major problems not touched on by Mr. Hamilton.

Greatest interest, however, is expected to center in the 50th year celebration, which will be featured at the annual banquet.

F. D. Ratterman Dead

Frank D. Ratterman, secretary of the Hamilton Mutual Fire of Cincinnati and son of its founder, died Tuesday in Cincinnati after an illness of several months. He was 68 years old and knew much of the early insurance history of Cincinnati.

"Rough Notes" Offer Renewed

Rough Notes Publishing Company has again offered prizes for the best insurance trade paper advertising campaign submitted at the annual convention of the Insurance Advertising Conference—this year being held in Cleveland, Oct. 6-8. All members of the conference are eligible to compete, and many have signified their intention of entering.

Fire Waste Council Plans for Washington Meeting

FOUR INTERESTING PAPERS

Semi-Annual Gathering Promises Material of Value to Persons Interested in Fire Prevention

WASHINGTON, Sept. 18.—Program for the semi-annual meeting of the National Fire Waste Council in the headquarters of the United States Chamber of Commerce, here Oct. 1, was announced today by the chamber's insurance department. Four papers of special interest to persons engaged in fire prevention activities will be presented and the council will hear reports of standing committees and a special report on the fire prevention course given this summer at the National Institute for Commercial & Trade Organization Executives.

"Equipment and Personnel of Municipal Fire Departments in Relation to Population" is the subject of a paper to be delivered by George W. Booth, chief engineer, National Board of Fire Underwriters, New York. J. E. Martin, chief engineer insurance department, U. S. Steel Corporation, will speak on "What Fire Prevention Means to Industry." Sherwood Brockwell, North Carolina fire marshal, will speak on "The Fire Department Goes to School."

Will Stress Team Work

The fourth paper will be presented by Morton L. Wallerstein, executive secretary, League of Virginia Municipalities. The American Municipal Association, of which the Virginia league is a member, recently joined the National Fire Waste Council. Mr. Wallerstein will discuss fire prevention activities of state leagues of municipalities and point out how teamwork between them and national fire prevention organizations should assist in reducing fire waste.

On Sept. 30, the day preceding the council meeting, a number of council committees will meet. Those which have definitely scheduled meetings are the executive committee, contest committee, contest grading committee, fire casualty statistics committee, information and publications committee, manufacturers committee and speakers committee.

Additional Coverage Often Found Desirable

In these days with complicated relationships and many demands a person subjects himself to hidden dangers. For instance, in numerous cases women alone drive a car. If the time comes when a man perchance is riding and he is a motorist he is asked to drive. There are other times when a man will borrow his neighbor's car to go on an errand. A person thus may drive another person's car under varied conditions. The other person, however, may not carry insurance. If an accident occurs then the driver is confronted with an ugly proposition and no doubt a claim. That is the reason that so many agents advise their assureds to pay a small extra sum to have an endorsement placed on the regular liability policy covering the driver if he is driving another person's car. It is called the "loaned car endorsement." It is a good thing to sell.

Insurance Institute Courses

Registrations for the three courses in fire insurance of the Insurance Institute in New York City commence Sept. 23. On Oct. 7 enrolled members will be addressed by Robert P. Barbour, United States manager of the Northern of London and chairman of the institute's committee on fire insurance lectures.

AS SEEN FROM CHICAGO

CONDEMNATION EFFORTS FAIL

Efforts of the Chicago fire prevention bureau to secure condemnation of a building owned by a prominent auto supply man which have extended over a period of 16 months and have been continued 35 times in court resulted in an investigation by City Prosecutor Frank Peska this week. The property in question, the junk and automobile accessory warehouse at 1900-34 South State street, owned by Israel R. Warshawsky, according to the fire prevention bureau is a death trap which endangers the lives of 150 people living upstairs. Prosecutor Peska criticized the bureau for having failed to file separate complaints against Warshawsky every day, if in fact the place was a death trap. Patrick J. Egan, division fire marshal, stated the building is the worst fire trap in town and not a soul would escape if a fire started there at night. Fire Marshal Michael Corrigan said if firemen were called to fight a fire there a dozen deaths of firemen would result. Warshawsky is a son-in-law of Morris Eller, Republican boss of the 20th ward, and brother-in-law of Superior Judge Emanuel Eller.

FRANK R. YOUNG & CO. MOVES

Frank R. Young & Co. have opened new offices in A1853 Insurance Exchange. Frank R. Young for 19 years prior to 1926 was a member of the general agency firm of Childs, Young & Wood. In the early part of that year he retired from the agency business, establishing a direct writing agency bearing his name. On Sept. 1 Edward V. Turner, who for 12 years was manager of the brokerage department of Childs, Young & Wood and its successors, resigned to associate himself with his old employer as a member of the firm. Both Mr. Young and Mr. Turner will devote themselves to the production of direct business.

WINTER MEETINGS START

The winter series of meetings of the Association of Fire Insurance Examiners will be started Sept. 19 with a dinner in the Fort Dearborn hotel. Norman Brunkow, structural engineer, associated with the architectural firm of Graham, Anderson, Probst & White, will speak on "Fireproofing Provisions in Office Building Construction." This speaker was secured for the opening dinner by President B. J. Schulze of the association.

AUTO SUPERINTENDENTS MEET

The automobile superintendents' club of Chicago will have a luncheon and meeting at the Great Northern Hotel Sept. 21 at 12:15. This will be the first meeting following the vacation season.

GEORGE MADE ASSISTANT

S. H. George has been appointed assistant manager of the Railway Underwriters of Chicago under J. L. Vollintine. Mr. George has been connected with the syndicate for more than five years as an adjuster of railway fire losses. He previously served in the engineering department of the Chicago, Milwaukee, St. Paul & Pacific railway.

INSURANCE STOCK COMMENT

In commenting on the insurance stock market, Warner S. Conn, vice-president of Lewis-Dewes & Co., Chicago investment house, says:

"No decided trend developed in the insurance market the past week. In the main, prices continued to hold to the existing levels with no selling pressure and only a fair amount of buying interest.

"We are not able to explain to our-

selves the continued lack of interest on the part of investors. The American Bureau for Financial Research calls attention to the fact that 44 dividend paying New York Bank stocks are now selling on an average of 31 times indicated annual earnings, and 2.41 times book value for an average yield of 1.98 percent, while 72 dividend paying insurance

stocks are selling at an average of 11.9 times indicated earnings, and 1.60 times liquidating value for an average yield of 2.95 percent.

"Our typical stocks are:

	Sept. 10	Sept. 17	Change
Aetna Fire	780	785	+ 5
Aetna Life	1385	1370	- 15
Boston Ins.	1030	1010	- 20
Connecticut Genl.	2255	2250	- 5
Globe & Rutgers.	1560	1580	+ 20
Hartford Fire	1065	1065	—
National Fire ...	91	90	- 1

"Although Aetna Life is now quoted 1370 to 1390, the fact that it will start trading the new stock Oct. 8 makes it

look like an attractive purchase for a fairly short pull."

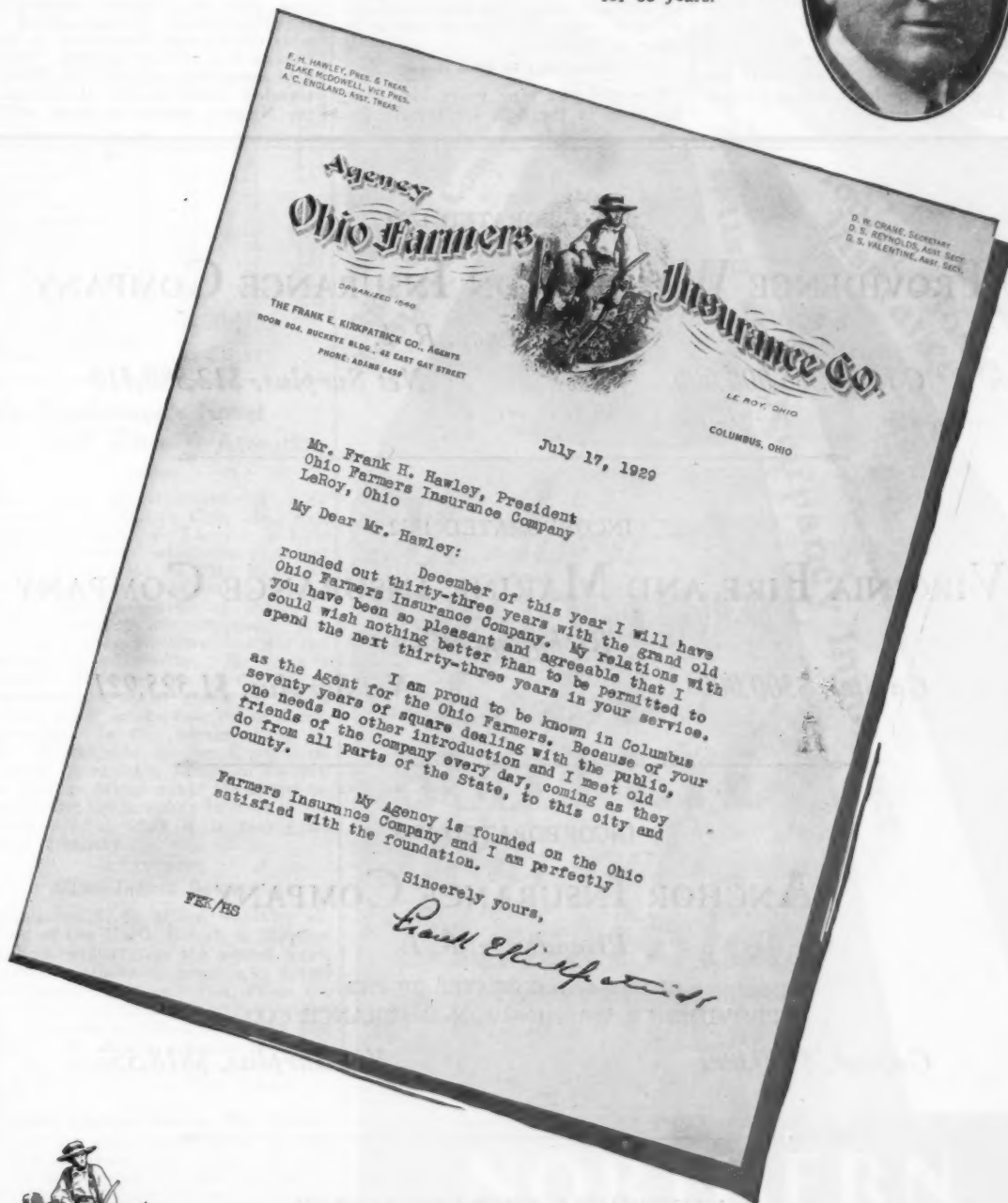
LADD ENTERTAINS CLAIM MEN

Arthur L. Ladd & Co., Chicago adjusters, entertained Chicago claim agents at the Southmoor Country Club recently. Herbert Reese won first prize and Joseph Bolton and Dudley Kuhns won second and third prizes respectively.

Every wide-awake local agent should read his personal copy of THE NATIONAL UNDERWRITER.

"Perfectly Satisfied"

Frank E. Kirkpatrick, prominent agent at Columbus, Ohio, has represented the Ohio Farmers for 33 years.



OHIO FARMERS INSURANCE CO.

Organized 1848

Le Roy, Ohio

The Ohio Farmers Insurance Company owns and operates the Ohio Farmers Indemnity Company, a casualty insurance running mate.

CHANGES IN THE FIELD

SEVERAL HARTFORD CHANGES

Western Department Moves Sipp to Chicago—Fills Three Vacancies Thus Created

Several changes are announced in the western department of the Hartford Fire. Fred Sipp, who has been a special agent in Columbus, O., for many years, has been appointed assistant superintendent of the automobile department. John L. Meyer takes Mr. Sipp's place at Columbus. He has been a special in eastern Indiana.

Strickler to Indiana

Harvey Strickler succeeds Mr. Meyer in eastern Indiana. Mr. Strickler goes from the western department office, where he has been assistant superintendent of the special risks department.

Henry Vennell has been appointed western Indiana special agent. He has been assistant superintendent of the special hazards department.

GENERAL AGENCY IS FORMED

Bernard P. Carter and Edward D. Tupper to Open Office in Richmond—Have Four Companies

RICHMOND, VA., Sept. 18.—Bernard P. Carter and Edward D. Tupper, well known field men, have formed a general agency at Richmond and will represent the City of New York, the Halifax, the National Security Fire and the Bankers & Shippers of New York in Virginia and District of Columbia.

The firm will be known as Carter & Tupper, general agents, with offices in the American National Bank building. It is planned to extend its territory into North Carolina within a year. Mr. Carter will be contact man and producer of the firm, while Mr. Tupper will be the office underwriter.

Prominent in Blue Goose

For the past nine years Mr. Carter has been in the field for the St. Paul

Fire & Marine. He became associated with the St. Paul July 1, 1920, supervising Virginia, North Carolina, South Carolina and the District of Columbia, with Richmond headquarters. Several years later he was relieved of the two Carolinas, and he has since been supervising only Virginia and the District of Columbia for that group. Prior to joining the St. Paul he was special agent of the Milwaukee Mechanics in the Carolinas, Virginia and the District for three years. He began his insurance career with the old Virginia State at Richmond in 1911. He has been prominently identified with the Virginia Blue Goose, having served as most loyal gander as well as deputy most loyal gander.

Three Brothers Active

Mr. Tupper, a son of the late S. Y. Tupper, long southern manager for the Queen at Atlanta, has been Virginia special agent of the Home group for the past eight years. He gained his initial experience in the insurance business with the southern department of the Hartford at Atlanta, going later with the Georgia Inspection & Rating Bureau in a clerical capacity. His first field experience was with the Atlas. He traveled Alabama and Mississippi for the Niagara before becoming affiliated

with the field forces of the Home in Virginia. Besides his brother, S. Y. Tupper, manager at Atlanta for the Royal and Queen group, he has two other brothers well known in southern fire circles. They are F. G. Tupper, general agent at New Orleans for several fire companies, and Maxwell O. Tupper, special agent of the North America in Florida.

Samuel E. Gardner

To develop its business more intensively in New York State, the Queensland has appointed Samuel E. Gardner special agent for the territory outside the Hudson valley and New York City suburban field, which sections will continue to be supervised by Special Agent F. W. Axt. Mr. Gardner, who will make headquarters in Rochester, is a seasoned field man, having traveled in New York state for several years.

H. P. Anderson

The Southern Fire announces the appointment of Horace P. Anderson as special agent for Connecticut, effective Oct. 1.

Mr. Anderson's insurance experience dates back to 1914, when he served in the home office of the Orient and the London & Lancashire in Hartford. In 1917 he resigned to enter the service. He resumed his insurance career in May, 1921, when he entered the employ of Wakefield, Morley & Co., supervising Connecticut, which position he has held until the present time.

Mr. Anderson is popular among the agents of Connecticut and has a splendid knowledge of conditions in that territory.

Robert C. Fuller

Robert C. Fuller has been appointed state agent in Nebraska and the Dakotas with headquarters at Omaha, Vice-President Charles H. Coates of the National Liberty announces. For several years Mr. Fuller has been special agent of the Great American. He is a native of South Dakota and for many years was a banker and local agent in the Dakotas.

Harry O. Huth, M. E. Watson

The Camden Fire has promoted Harry O. Huth, heretofore in charge of northern New Jersey as state agent, to be superintendent of agencies at the home office. Mr. Huth, because of his 12 years' association with the agents in northern New Jersey, will still have close contact with that field. M. Ellwood Watson has been promoted from an examiner's position at the home office to succeed Mr. Huth, with headquarters in Newark.

Benjamin R. Price

The selection of Benjamin R. Price as special agent in the New York suburban territory for the Seaboard Fire & Marine, London & Provincial and Yorkshire Indemnity, all related companies, is announced by Agency Superintendent Stewart H. Davey. Mr. Price has been with the Royal for several years.

Burns Heard Over Radio

Robert E. Burns, special agent of the Security of New Haven in Pittsburgh, has lately been stepping out as a radio singer. Mr. Burns and his fellow members of the Smoke & Cinder Club, Pittsburgh, are genuine music lovers, as well as business getters. Just the other night, he was heard as the soloist in Victor Saudek's "Pipes o' Pan" concert over Station KDKA. He is a singer of merit and ability, had been heard over KDKA once before and will be again. He has frequently sung over radio stations in other cities.

Every wide-awake local agent should read his personal copy of THE NATIONAL UNDERWRITER.

INCORPORATED 1799

PROVIDENCE WASHINGTON INSURANCE COMPANY

of Providence, R. I.

Capital, \$3,000,000

Net Surplus, \$12,580,410

INCORPORATED 1832

VIRGINIA FIRE AND MARINE INSURANCE COMPANY

Richmond, Va.

Capital, \$500,000

Net Surplus, \$1,325,921

INCORPORATED 1928

ANCHOR INSURANCE COMPANY

Providence, R. I.

OWNED AND OPERATED BY THE
PROVIDENCE WASHINGTON INSURANCE CO.

Capital, \$500,000

Net Surplus, \$818,557

WESTERN DEPARTMENT

175 W. JACKSON BLVD.

CHICAGO

J. R. CASHEL, Manager

INSURANCE STOCK QUOTATIONS

(Furnished by Lewis-Dewes & Co., 111 West Monroe street, Chicago)

	Par	Bid	Asked	Div. per Share		Par	Bid	Asked	Div. per Share
Aetna Casualty	100	2040	2080	\$12.00	Independ. Indem.	10	27	29	.50
Aetna Life	100	780	795	20.00	Independence Fire	10	21	23	.60
Aetna Life	100	1370	1385	12.00	Ins. Co. N. Amer.	10	89	91	2.00
Agricultural	25	...	...	4.00	Lincoln Fire	20	95	...	4.50
Amer. All. (New)	10	40	43	1.60	Lloyds Cas.	10	34 1/2	37 1/2	.60
Amer. Auto.	10	80	...	2.00	Maryland Cas.	25	127	131	5.00
Amer. Druggists	25	84	...	3.00	Massachusetts Bd.	25	210	220	4.00
Amer. Equit.	5	58	61	1.50	Merch. F. (Com.)	10	130	140	2.00
American N. J.	5	25	26	1.00	Merch. F. (Pfd.)	100	120	...	7.00
Amer. Reserve	10	77	85	4.00	Merch. & Mnfrs.	5	36	38	1.00
Amer. Surety	25	131	135	6.00	Metropolitan	10	11	...	1.00
Auto of Hartford	100	555	570	8.00	Mohawk Fire	25	60	65	...
Baltimore Amer.	5	53	55	.60	National Cas.	10	33 1/2	35	1.20
Bankers & Ship.	25	135	145	5.00	National Fire	100	90	93	25.00
Boston	100	1010	1060	16.00	National Lib.	5	29 1/2	31 1/2	.50
Brooklyn	5	31	33	...	National Union	100	285	295	12.00
Camden	5	32 1/2	34 1/2	1.00	National Surety	50	117 1/2	119 1/2	5.00
Carolina	10	42	44	1.40	New Amster. Cas.	10	49	51	2.90
Central West	50	55	60	2.00	New Brunswick	10	41	44	1.20
Chicago F. & M.	10	24 1/2	26 1/2	...	New England F.	10	47	52	1.00
City of N. Y.	100	760	780	16.00	New Hampshire	100	77	85	16.00
Colonial St. Fire	10	23	26	...	New Jersey	20	60	64	2.00
Columbian Natl.	25	19	23	...	Northern	25	140	150	4.00
Commonwealth	100	700	...	20.00	North River	25	450	465	8.00
Constitution Ind.	10	21	24	1.00	Northwest Natl.	25	145	155	5.00
Cont. Cas. (Ex.D.)	10	51 1/2	52 1/2	1.60	Occidental	10	25	27	...
Continental	10	99	101	2.00	Pacific Fire	25	140	160	...
Detroit Fd. & S.	50	55	60	...	Peoples National	5	35	37	1.00
Detroit F. & M.	25	60	60	...	Phoenix	100	1050	1075	20.00
Detroit National	25	20	24	1.00	Preferred Accel.	100	600	615	12.00
Employers Reins.	10	31	33	1.50	President F. & M.	25	30 1/2	...	...
Fidelity & Dep.	50	215	230	8.00	Prov. Wash.	100	1050	1075	20.00
Fidelity-Phoenix	10	111	113	2.00	Rossia	25	76	78	6.00
Firemen's, N. J.	10	38 1/2	40 1/2	2.20	Security, N. H.	25	123	130	3.00
Franklin Fire	25	240	245	8.00	Southern Surety	10	34 1/2	36	1.60
General Cas. & S.	50	35	...	...	Springfld. F. & M.	25	230	235	4.00
General Surety	25	110	120	...	St. Paul F. & M.	25	242	247	5.00
Georgia Casualty	5	18	22	...	Standard Accel.	50	275	325	6.00
Glens Falls	10	65	69	1.60	Stuyvesant	100	445	455	6.00
Globe & Rutgers	100	1580	...	24.00	Sylvania	10	35	37	...
Grt. Amer. Cas.	25	15	20	...	Transp. Ind.	10	20	23	...
Grt. Amer. Ind.	10	51	56	...	Transportation	25	47	50	...
Great American	10	46	48	1.60	Travelers	100	1825	1850	24.00
Great Lakes	10	11	...	1.00	U. S. Casualty	25	93	98	3.00
Halifax	10	44	46	1.00	U. S. Fire	10	110	114	2.40
Hanover	10	84	86	1.00	U. S. F. & G. (N.)	10	62	65	2.00
Harmonia	10	41	43	1.40	U. S. Merch. & S.	100	400	425	8.00
Hartford	100	1060	1080	20.00	Westchester	10	85	88	2.00
Hartford St. Boil.	100	785	800	18.00	Aetna Cas. (New)	...	204	208	...
Home	100	708	715	20.00	Aetna Life (New)	...	137	138 1/2	...
Homestead	10	37	39	1.00	Auto. of Hartford	...	55 1/2	57	...
Hudson Casualty	5	5 1/2	7 1/2	.40	(New)	...	...	...	...
Import. & Exp.	25	99	103	4.00					

Good Speakers for Blue Goose Grand Nest Banquet

SAN FRANCISCO, Sept. 18.—The grand nest banquet of the Blue Goose to be held Thursday evening, Sept. 26, at the Fairmont Hotel, promises to be a big feature of the gathering. Charles L. Barsotti, assistant manager of the Fire Association, is chairman of the affair and has arranged a splendid program.

J. H. Schively, secretary of the California Insurance Federation, who is noted throughout the nation for his oratory, will give the address of welcome. Walter E. Atwater of Milwaukee, who was the first most loyal grand gander, will tell the story of the origin of the Blue Goose. William T. Benallack of Detroit, past most loyal grand gander, will give a talk concerning the ladies.

The coming year in the Blue Goose will be told by D. L. McCoy of Sioux Falls, grand supervisor, who is scheduled to become most loyal grand gander. John W. Wilson of Vancouver, B. C., will relate the activities of the Blue Goose in Canada.

Musical and entertainment numbers will be interspersed with the speaking.

Announce U. S. C. of C. Conference

The fall conference of the councillors, officers, committeemen and department managers of the United States Chamber of Commerce will be held in Columbus, O., Oct. 14-16. The insurance committee will meet Oct. 12. On that day the various committees will meet. Manager T. F. Cunneen of the insurance department is at the Insurance Commissioners Convention at Toronto this week.

W. J. Fanning, 58, vice-president of the Fagan-Fanning-Newell Company, Racine, Wis., local agency, who for a number of years was superintendent for the Metropolitan Life there, died at his home following an extended illness.

Lyle Stephenson's Novel "Ad" Attracts Attention

The page advertisement of Lyle Stephenson of Kansas City, Mo., well known local agent, of "Leave it to Lyle When You Insure," which was produced in the special issue of THE NATIONAL UNDERWRITER devoted to the meeting of the National Association of Insurance Agents, created much attention. Mr. Stephenson does the novel but not the grotesque in advertising. He attracts attention. He does this by the use of impressive type or by a play on words or some other means that leaves a real impression. In this advertisement he pays his respects to the Continental Casualty, mentioning names of officers. The point he brings out in the advertisement is that the company believes in the agency system, that it is purely an agency company.

Miller Indiana Speaker

Chauncey S. S. Miller, publicity director of the North British & Mercantile fleet, will address the annual meeting of the Indiana Association of Insurance Agents at Muncie Oct. 11 on the development of the lesser known covers. His topic will be "On and Off the Side Lines." Mr. Miller will also speak before the Illinois association the same week at its meeting at Rock Island.

Would Change Marine Tax Basis

SAN FRANCISCO, Sept. 18.—The County Assessors Association of California has adopted a resolution favoring the approval by the voters of constitutional amendment No. 17, which revises the method of taxation on marine insurance premiums. It would effect considerable saving to the marine insurance business and place American marine companies on an equal basis with foreign companies. At present companies operating in California are taxed on gross premiums. The amendment places the taxation on underwriting profit only.

Mr. Agent
Sell SIDE LINES.
For Every
BULLS EYE
You get a
Commission

NORTHERN
ASSURANCE CO. LTD. OF LONDON
80 JOHN ST. NEW YORK

A Needle—A Haystack

We all know the old saying "It is as difficult as trying to find a needle in a haystack." Probably very few ever really desired to search for that elusive needle, feeling the task was too hopeless.

However, Mr. Insurance Man, did you ever stop to consider that this old needle-haystack saying fits your client after a loss? He is hopeless in finding the actual amount of his loss unless you have aided him in having a sound appraisal organization such as The Lloyd-Thomas Company prepare a careful appraisal showing exactly the amount of the property before the loss. From the appraisal values it is easy to ascertain the exact amount of the loss.

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RECOGNIZED AUTHORITIES ON PHYSICAL VALUES



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120 Broadway, New York

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NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL \$2,000,000

A. & J. H. STODDART, General Agents

100 William Street - - - New York City

**FIRE - AUTOMOBILE - WINDSTORM
BUSINESS INTERRUPTION INDEMNITY**

Would Ease Up on Restrictions

(CONTINUED FROM PAGE 3)

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"The policy of restricting charter powers has had the effect of enforcing a stilted and awkward method of underwriting, of handicapping the companies of the United States in the foreign field, and of causing them to lose at times a good deal of business in the domestic field to nonadmitted companies. It has forced a growth towards the group rather than to the single company—a growth away from unity and towards complexity. The policy of restricting investments, more particularly of life companies, has enforced a one-sided financial policy which may in some circumstances become eminently disadvantageous to the community and perilous to the company."

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Extra Choice Office Space

with private office in Insurance Exchange Bldg., Chicago, suitable for Special Agent or Adjuster. Write N-38, care The National Underwriter.

Experienced Special Agent Wanted

By American Company, Chicago office, to travel Illinois and Wisconsin. Good opportunity for a worker acquainted in this field. Bureau experience preferred but not necessary. Replies confidential. Address N-47, care The National Underwriter.

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"Our investigation and experience show that the production of sprinklered business increases in direct ratio to the interest evinced in the subject by the agent and the special agent. Among many instances is one of an agent in a moderate sized city of southern territory who several years ago began to call upon our improved risk department for assistance. Several risks were secured for him, and many more followed as a result of his own effort.

"Shortly thereafter he purchased an agency in a small but progressive town in another state. Almost immediately upon his arrival the sprinkler installing companies began to receive inquiries from property owners in that town, a spot of which they never had heard previously. Today, about three years from the date of his advent, practically all of the important risks in the town are sprinklered, representing the largest number of equipments in the south for a place of its size. This agent has the insurance upon all of these risks.

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Reliable fire insurance will withstand greater shocks than any man-made machine. A Homestead policy possesses the power of sure protection which is proof against sudden disaster.

WILFRED KURTH, Pres.

The Homestead
FIRE INSURANCE COMPANY



New York Office

59 Maiden Lane

DETEX Watchman's Clocks

Manufactured by

Detex Watchclock Corporation

Do Your Clients Have Watchclock Protection?

Fire risks are greatest on unguarded property.

Fire risks are almost as great where watchmen are employed—but not checked.

Detex Watchclock Systems check watchmen's movements to the minute, thereby compelling them to keep awake and make regular rounds. Over 80,000 watchman's clocks produced by the Companies that now make up the Detex Watchclock Corporation are now in use all over the World.

Tell your clients about Detex Watchclock protection. Write us for complete information. Representatives in all larger cities.



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Glenn Bldg., Atlanta, Ga.

78 Varick St.
New York, N. Y.

a continuation of the manufacturing

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ECO CLOCK COMPANY **ALERT-PATROL**

Watchman's Clocks

Approved by Underwriters Laboratories, Inc., and Factory Mutuals Laboratories

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4159 Ravenswood Ave., Chicago
Glenn Bldg., Atlanta, Ga.

78 Varick St.
New York, N. Y.

a continuation of the
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manufacturing
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THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

Published every Thursday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; HOWARD J. BURRIDGE, Vice-President and General Manager; NORA VINCENT PAUL, Vice-President; WILLIAM A. SCANLON, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers

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About Funds and Refunds

THE little joker in state insurance about which warnings have been issued for years by leaders in the insurance world has cropped up in Wisconsin. A school for crippled children, in itself a humane and entirely worthy enterprise, is to be built with money drawn from the state fire insurance fund. At first glance this does not appear dangerous, for the approved proposal of Assemblyman E. G. SMITH, in the form of a bill passed by both houses of the legislature would repay the advance in annual installments. In this respect it appears Wisconsin is merely investing its fire insurance reserves as do carriers.

The vital difference is that invested reserves of carriers, in the form of bonds and other assets, are by law required to be invested in liquid securities. In Wisconsin the state fund now holds a promise from the state to repay those reserves. That would appear as sound as the state itself, but there is a vital disparity between excellent bonds and an "I. O. U.," however official it may be.

There is a chance that future Wisconsin legislatures may not feel a pressing obligation to repay the \$300,000 borrowed from the \$2,500,000 fund. The bill in question leaves that up to appropriations by succeeding assemblies. Anyone who has seen a legislature work, especially in the closing days, knows that many worthy bills are lost in the rush to get through special measures for constituents of assemblymen. That is what may happen to some of the appropriations. However, assuming that Wisconsin will repay this loan on schedule, danger lies in the precedent established. There must have been some politics involved in the children's home venture. The next time the state borrows from the fund there may be less humanity and even more politics.

Plenty of Room in Front

A STREET car conductor when people are crowding in the vestibule or at the rear door keeps calling, "There's plenty of room up in front." That bit of suggestion can be taken to heart by many who seem to find a place only in the

Our state governments are combing every avenue for revenue nowadays. Cost of government is constantly rising and revenue is not keeping pace. It may be left to the imagination with what relish politicians look to the handy reserve funds in time of stress when tax collections are slow and the hangers-on with their hands in the nearly empty "pork-barrel" are crying for more.

There is even the possibility that Wisconsin and other states with insurance funds that may later follow the example will find themselves with heavy fire losses on public buildings and nothing in the insurance fund but state warrants. For the warrant is the unusual prerogative of government. Instead of cash, it can if funds are low issue a promise to pay when there are funds. These warrants, it is true, are thoroughly sound, and moreover bear 6 percent interest, but how far would a regular carrier get if it essayed to pay claims by warrants due at some indeterminate date in the future?

Of course in the case of a state fund it will be said that it is merely a matter of taking the money out of the left pants pocket and putting it in the right; that the reserves are set aside to put the fund on a scientific basis, but that essentially all the resources of the state are its insurance reserves and what does it matter where the money is stored? Unfortunately the other pocket has a hole in it. States should apply to themselves in insurance matters as strict rules as they enforce on private carriers. A parent who becomes enraged at his offspring for smoking, drinking liquor and committing other greater or lesser vices, but who inconsistently indulges in them himself, has little control over his brood, and certainly has no kick coming when they turn out to be scallawags.

PERSONAL SIDE OF BUSINESS

Herbert Cobb Stebbins of Denver, president Association of Fire Insurance General Agents, garbed in an artistic brown ensemble of tasty fit, is attending the meeting of insurance commissioners at Toronto this week. He will be in Chicago the latter part of the week and from there will go to old Point Comfort to attend the Western Union meeting. He spoke last week at the convention of the National Association of Insurance Agents at Detroit. From old Point Comfort he will migrate to White Sulphur Springs, W. Va., to attend the Casualty gathering. The week following he will be at the United States Chamber of Commerce conference at Columbus, O.

Alfred Yates, an international authority on fire insurance law and for three years chief adjuster of Johnson & Higgins' fire insurance department, died last week at the age of 55 in the Massachusetts general hospital, Boston. He was taken ill on a steamer returning from a vacation trip in Europe early in July. Mr. Yates lived in Brooklyn. He joined Johnson & Higgins in 1904, before which he was with the Greenwich Fire. He took an important part in handling fire losses following the San Francisco conflagration and since that time has participated in settling many large fire losses throughout the world.

News comes from Atlanta that Gen. William A. Wright, venerable insurance commissioner of Georgia, died Friday. He was 85 years of age in January and has been comptroller general of the state for 50 years, having been appointed the first time Sept. 17, 1879. He has been elected to this office 25 times and opposed only three of this number. The general lost a leg in the army of General Lee and has long been prominent in the political and social life of Georgia.

A gracious gesture in the form of public congratulations from one of his agency's chief competitors in the local field warmed the heart of the new president of the National Association of Insurance Agents, Clyde B. Smith, when he returned to his home at Lansing, Mich., from Detroit last week.

The Dyer-Jenison-Barry Company and Lansing Insurance Agency purchased advertising space in the leading local daily, decorating it with the smiling visage of the new president, and the following tribute:

"To Clyde B. Smith: In electing you president of the National Association of Insurance Agents the insurance agents of the United States have paid you the highest compliment in their possession to give. We congratulate you most heartily."

An interesting interview with Leo Thieman, secretary of the Louisville Board, was carried in the Louisville "Times," Sept. 12, relating some of the high lights in the history of the old board, known as the oldest local in the country, and being one of a series of business stories, based on interviews, which are being carried daily in the "Times," along with pen and ink sketches of those interviewed.

William Klappert, president of the William Klappert Insurance Agency Company and one of the best known insurance agents of Cincinnati, died Saturday after an illness of several months. He was 73 years old. Mr. Klappert began his insurance career as a policy clerk in the office of Gray & Roberts, and remained in the agency when it was operated under the name of Adam Gray. He became bookkeeper in the agency and later a solicitor.

Mr. Klappert possessed a strong and unique character. He was a contributor to insurance papers, often writing in

German dialect. He served for a time as trustee of the Cincinnati salvage corps. He built up a strong agency in Cincinnati. In recent years, he has been assisted by his sons and also by a son-in-law, Earl W. Wagner, who was president of the Cincinnati Association of Fire Underwriters last year.

Mr. Klappert was the third oldest agent in the city, in point of service. He founded his agency Sept. 15, 1872. Cincinnati's oldest agent in point of service is Charles F. Runck, No. 2 being Frank A. Rothier, president of the Eureka-Security Fire & Marine, and No. 4, now No. 3, William Stredelman.

Louis Rauh, John Runck, O. C. Rothier, William Stredelman were among those representing the Cincinnati Fire Underwriters' Association at the funeral.

There is always romance in success, and Robert C. Sherriff, insurance adjuster, has had the reading and playgoing public of two continents at his feet since a fateful Sunday night in London last December. Mr. Sherriff, still on the job in his office in the Sun building, London, is now largely engaged in banking royalty checks from all quarters of the globe, a conservative estimate putting the figure at \$15,000 to \$20,000 weekly. He is the man who wrote the play "Journey's End," now showing in Chicago, which has left hardened dramatic critics trembling in their seats.

James B. Oswald, president of the James B. Oswald Company of Cleveland, died suddenly at his home Saturday evening. Mr. Oswald appeared to be in his usual good health and arrived home Friday morning from Detroit, where he spent the week with Mrs. Oswald in attendance at the annual convention of the National Association of Insurance Agents. His sudden death was a great shock to his many friends.

Mr. Oswald was a former city councilman of Cleveland and had a wide circle of warm friends. He had been engaged in the insurance business for many years and was very active in insurance organization work, serving as a trustee of the Insurance Board of Cleveland at the time of his death. The funeral was held Tuesday, with a large number of insurance men in attendance.

John J. Dolan, New Jersey state agent for the Globe & Rutgers, is celebrating his 25th anniversary with that company. He has had charge of New Jersey for the past five years.

Otho E. Lane, who was president of the Niagara Fire and the Maryland before they were taken over by the America Fore group, has established an office at 123 Front street, New York City. Mr. Lane has not made any plans for the future but will transact his personal business from his new location.

Hawthorne K. Dent, president of the General of Seattle and affiliated companies, has been appointed general chairman of the Seattle community chest. Mr. Dent told community leaders that he landed in Seattle with 50 cents in his pockets and started work as a longshoreman. He now has a \$6,000,000 business.

Lewis A. Wallon, for many years a member of the well known Boston firm of John C. Paige & Co., and formerly confidential secretary of the late John C. Paige, died suddenly at his home in Brighton the past week from a heart attack. He had been in the Paige office for 46 years, starting with Mr. Paige in 1883 and was admitted to partnership in 1912. For many years he had charge of the accounting and financial departments.



EXPERIENCE

Through dense fogs, lashing gales, the black of night, the time-tried helmsman, ready for any emergency, keeps his ship on the true course.

The three companies which make up the Ætna Fire Group have always been guided by firm, experienced hands. Rough weather has been encountered, of course, but the good ship Ætna has always come through with colors flying.



ÆTNA INSURANCE COMPANY
THE WORLD FIRE AND MARINE INSURANCE COMPANY
THE CENTURY INDEMNITY COMPANY
HARTFORD - CONNECTICUT

Ætna Fire Group agents know that these three companies will guide them through any and all of their ever-arising insurance problems.

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

CONDITIONS IN OHIO CITIES

National Fire Protection Engineers Make Report on Youngstown, Steubenville and East Liverpool

The engineers of the National Fire Protection Association report conditions in Youngstown, O., as unsatisfactory. The fire department is undermanned. There is no drill school for firemen and little inspection work is carried on. No salvage work is done by the fire department. The building code in process of revision for several years is not yet in satisfactory form. A new fire alarm system has been authorized but no progress has been made toward its establishment. The engineers say that many old and hazardous buildings are scattered through the congested district endangering the city. The fire chief has no authority to condemn such structures. Many small dry cleaning and spotting shops exist in untidy and dangerous conditions.

Situation at East Liverpool

A field man for the National Fire Protection Association visited East Liverpool, O. A fire prevention committee was created by the chamber of commerce last year to consider the recommendations of the National Board. Additional men were appointed to the fire department. Several fire prevention ordinances were adopted. The greatest weakness is the lack of building regulations. The engineers of the National Fire Protection Association urge the adoption of a building code emphasizing particularly the need of legislation requiring sprinklers in conflagration-breeding buildings. The central fire station has been condemned by the state fire marshal as unsafe. An old church building at Market and Fourth streets is in the center of a particularly hazardous area.

Steubenville's Needs

The engineers of the National Fire Protection Association report that much needs to be done at Steubenville, O., in the way of reducing fire hazards. The fire department is undermanned. There

is need for a new building code and a fire prevention code. Existing structural conditions are weak and sweeping fires are quite probable, according to the engineers.

Field Club's New Plan

The Ohio Fire Underwriters Association has adopted a plan for designating the location of separate meetings following the principal session which is very convenient and efficient. Figures have been printed on cardboard a little less than a foot square. These boards are fastened up at various points about the room where the main session of the association meeting is held. In letters announcing the special meetings, or in the announcements of the chair, it is necessary only to say that the meeting with reference to this or that matter will be held at station 1 or 6, etc. The plan has been in operation for several months and as proved satisfactory.

Joins Western Adjustment

Merrill Van Haun, a Cleveland attorney, has joined the forces of the Western Adjustment in its Cincinnati office. Mr. Van Haun was formerly in the claim department of the New York Central Railroad.

Ohio Notes

The Zeller Agency at Nelsonville, O., has been transferred to the Daugherty-Oakley Insurance Agency.

The interurban station at Sandusky, O., was destroyed by fire a few days ago with a loss estimated at \$25,000. The cigar store of Al Murchell and a confectionery owned by George Pappas were also wiped out.

Friends have instituted a search for Miss Esther O. Lear, aged 40, secretary-treasurer of the Yeager Insurance Agency, Columbus, O., who disappeared a few days ago while on her vacation. She has been traced to New York, Atlantic City, Charleston, Md., and Pittsburgh. She has been with the Yeager Agency for 20 years.

Fire loss of \$25,000 was suffered at East 73rd street and Euclid avenue, Cleveland, when an unfinished apartment house was gutted by flames. All available downtown fire companies responded to the three-alarm call and battled for nearly three hours to stop the conflagration. The apartment house was a four-story structure known as Carnegie Hall. Origin of the fire is undetermined.

CENTRAL WESTERN STATES

TENTATIVE PROGRAM GIVEN

Illinois Association of Insurance Agents Lists Speakers for Rock Island Meeting, Oct. 10

The tentative program for the meeting of the Illinois Association of Insurance Agents at Rock Island Oct. 10 has been announced. The program in detail follows:

Morning Session, 10 a. m.

Address of welcome.
Response to address of welcome.
President's address, R. W. Troxell.
Secretary-treasurer's report.
"On Rainy Days the Shoe Man Sells Rubbers," Chauncey S. S. Miller, director of publicity, North British & Mercantile.
Appointment of committee on resolutions.
Appointment of committee on nominations.
Invitations for next annual meeting.
Discussion.

Afternoon Session, 2 p. m.

Report of committee on resolutions.
Report of committee on nominations.
Address, William Quaid, executive vice-president, Southern Fire.
"The National Association," Clyde B. Smith, president National Association of Insurance Agents.

"Practical Methods of Developing New Business," Eugene Walsh, Snyder, Walsh & Hynes, Davenport, Ia.

"Premium Collections," David Benjamin, Benjamin Insurance Agency, Springfield, Ill.

Banquet, 6:30 p. m.

Toastmaster, C. M. Cartwright, The National Underwriter, Chicago.
"The National Board of Fire Underwriters," Gen. Frank S. Dixon, representative, National Board, Chicago.
"Cooperation," H. H. Cleaveland, Rock Island.

Plan for Indiana Insurance Day

James A. Bawden, chairman of Indiana Insurance Day, which will be put on in Indianapolis next January, met Monday with a number of those who have been active in the events during the past and discussed some of the preliminary details of organization. He is assured of hearty cooperation of all interests toward the development of a program that shall be in keeping with the excellent offerings of the past.

Steup to Instruct Firemen

Carl S. Steup of Fort Wayne, Ind., head of the fire prevention bureau of the fire department there, has resigned to join the Indiana Inspection Bureau. Mr. Steup

will attend a drill school for a week or more in preparation for his new duties. Following this preparation, he will take up the work of instructing firemen in the smaller Indiana cities in the use of fire apparatus and in fire prevention work.

Better Apartment Protection Sought

WINNIPEG, Sept. 18.—The coroner's jury which investigated the recent fire in the Medway Court apartment building, resulting in the loss of nine lives and serious injuries to ten persons, recommended that a thorough inspection be made of all three-story buildings in the city used as sleeping apartments. At the civic safety committee meeting this week it was proposed that a night watchman be employed in all apartment blocks and a committee was formed to consider such changes in the city by-laws as would tend to prevent loss of life in cases of fire occurring in apartment blocks.

Connersville Agents Entertain

Nearly 100 guests, including field men of the companies represented in the agencies, enjoyed the hospitality of A. E. Barrows Company and the Central Insurance Agency at Connersville, Ind., Thursday. Plants of local industries, including the Auburn automobile factory, were visited in the morning and a golf tournament was put on at the Country Club in the afternoon, in which Thomas R. Dungan, state agent of the Fidelity-Phenix, won first prize with low net score and F. K. Hinton, marine state agent of the North America, turned in low gross. Clarence C. Wysong, Indiana insurance commissioner, was toastmaster at a banquet in the evening. He congratulated the agencies on giving such a successful meeting. Alton G. Trusler and Roy Green were in charge of the arrangements.

Michigan Notes

The National Land Value Refunding Company of San Francisco was licensed in Michigan last week, the first carrier specializing in land value insurance to receive a certificate of authority from the Michigan department.

J. Clyde Burnett, local agent at Jackson, Mich., will seek a place on the city commission. Petitions nominating him were filed with the city clerk last week. Two other candidates for the commission have already qualified.

A loss estimated at \$30,000 was sus-

Second in Command



GEORGE J. LIEBER

George J. Lieber, newly elected vice-president of the Michigan Association of Insurance Agents, took an active part in the convention of the National association in Detroit.

Mr. Lieber, who is a member of the Freese agency in Detroit, first got into organization work when he aided in organizing the Detroit Exchange a year ago. He took an active part in getting the new Michigan insurance code passed and as a result he was elected to his present post by the Michigan association at its meeting preceding the National association convention.

tained in the South Park section of Port Huron, Mich., when a blaze of undetermined origin destroyed part of the plant of the United Brass & Aluminum Manufacturing Company. The fire completely wiped out the core room and brass foundry and destroyed part of the iron foundry. The machine shop was also damaged by water. Jacob L. Goldman, president, said the loss was covered by insurance.

STATES OF THE NORTHWEST

GENERAL AGENTS COOPERATE

Pledge Support to Commissioner Lewis in Securing Higher Agency Standards in South Dakota

HURON, S. D., Sept. 18.—At a state meeting of fire insurance general agents here Commissioner Don C. Lewis secured an agreement for cooperation in the work of securing a better class of agents over the state. This in his view will go a long way toward stabilizing insurance rates in the state through better investigation of possible risks before the policy is written, and better financial conditions by the prompt payment of premiums collected. In discussion of the situation Mr. Lewis says:

"The careless and unreliable local agent cannot be eliminated by the department, any one insurance company or a small group of companies. There are two classes of agents generally overlapping whose underwriting is not fair to the general insuring public of the state and whose activities lead to an increased loss ratio. One class is made up of these agents who make no investigation of risks and have no definite information as to the actual insur-

able values. The second class are those who collect premiums from their clients and either delay or fail entirely to make payment to the companies which they represent."

TWISTING LAW EXTENDED

Wisconsin Laws Passed—Marine and Sprinkler Leakage Under Fire—Reduce State Rates

MADISON, WIS., Sept. 18.—A law allowing a reduction in the Wisconsin state fund fire insurance rates has been passed. This reduction was made according to its proponents because of the large surplus which has piled up in the state fire insurance fund which insures all of the state property, and which may insure county and city buildings, including school houses. Under the old law the state fire insurance fund charged 75 percent of the stock company rates. Under a law just approved, the new rate will be 60 percent of the regular stock company rate.

The "twisting" law, heretofore applicable only to life insurance companies in Wisconsin, has now been extended throughout the insurance field; "twist-

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President
A. H. HASSINGER, Vice President

JOHN KAY, Vice President
WELLS T. BASSETT, Vice President

JANUARY 1ST, 1929, STATEMENTS

ORGANIZED 1855
FIREMEN'S INSURANCE COMPANY
OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
\$56,065,676	\$19,562,550	\$13,500,000	\$23,003,126	\$36,503,126

ORGANIZED 1853
THE GIRARD F. & M. INSURANCE COMPANY
OF PHILADELPHIA, PA.

\$6,036,606	\$2,834,468	\$1,000,000.00	\$2,202,138	\$3,202,138
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ORGANIZED 1854
MECHANICS INSURANCE CO.
OF PHILADELPHIA, PA.

\$4,881,357	\$2,770,413	\$600,000.00	\$1,510,944	\$2,110,944
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ORGANIZED 1866
NATIONAL-BEN FRANKLIN FIRE INS. CO.
OF PITTSBURGH, PA.

\$5,021,040	\$2,502,744	\$1,000,000.00	\$1,518,297	\$2,518,297
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ORGANIZED 1871
SUPERIOR FIRE INSURANCE CO.
OF PITTSBURGH, PA.

\$4,837,240	\$2,492,229	\$1,000,000.00	\$1,345,011	\$2,345,011
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ORGANIZED 1870
CONCORDIA FIRE INSURANCE CO.
OF MILWAUKEE, WIS.

\$5,359,805	\$2,486,092	\$1,000,000.00	\$1,873,712	\$2,873,712
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ORGANIZED 1886
CAPITAL FIRE INSURANCE CO.
OF CONCORD, N. H.

\$666,599	\$196	\$300,000.00	\$366,403	\$666,403
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TOTAL OF ASSETS
\$82,868,323.00

TOTAL OF LIABILITIES
\$32,648,692.00

TOTAL NET PREMIUMS
\$23,808,303.00

WESTERN DEPARTMENT
844 Rush Street
Chicago, Illinois

H. A. CLARK, Manager
Assistant Managers
H. R. M. SMITH
JAMES SMITH FRED. W. SULLIVAN

EASTERN DEPARTMENT
10 Park Place
NEWARK, NEW JERSEY
CANADIAN DEPARTMENT
461-467 Bay Street
TORONTO, CANADA
MASSIE & RENWICK, Limited,
Managers

PACIFIC DEPARTMENT
60 Sansome Street
San Francisco, California
W. W. & E. G. POTTER,
Managers
JOHN R. COONEY, Assistant Manager

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

Prosperity For

Every local agent with a General Agency connection is in a position to establish his business upon a firmer basis, multiply his carrying capacity and develop a larger volume of business through special lines

J. L. DAVIS, INC.
Alabama
BIRMINGHAM, ALA.
COATES & RAINES
Arkansas
LITTLE ROCK, ARKANSAS
L. B. LEIGH & COMPANY
Arkansas
LITTLE ROCK, ARKANSAS
EDWARD BROWN & SONS
Pacific Coast and Rocky Mountain States
SAN FRANCISCO, CALIFORNIA
COBB, MILLER & STEBBINS
Colorado, Wyo., N. Mex., Kansas and Utah
DENVER, COLORADO
DALY GENERAL AGENCY, INC.
Colorado, Wyoming and New Mexico
DENVER, COLORADO

STANDART & MAIN
Colorado, Wyoming and New Mexico
DENVER, COLORADO
HURT & QUIN, INC.
Georgia, Alabama, So. Carolina and Florida
ATLANTA, GEORGIA
A. H. TURNER
Va., N. C., S. C., Ga., Fla., Ala. & Tenn.
ATLANTA, GEORGIA
GEORGE L. RAMEY AGENCY
Indiana
INDIANAPOLIS, IND.
KANSAS UNDERWRITERS
Kansas, Missouri and Oklahoma
WICHITA, KANSAS
MILLER-STUDEBAKER AGENCY
Kansas
TOPEKA, KANSAS

SNYDER BROS. GEN. AGENCY
Kentucky and Tennessee
LOUISVILLE, KENTUCKY
BLACK, ROGERS & CO., LTD.
Louisiana
NEW ORLEANS, LOUISIANA
JAS. B. ROSS
Mississippi and Louisiana
NEW ORLEANS, LOUISIANA
STECKLER-WAGNER, INC.
Louisiana and Mississippi
NEW ORLEANS, LOUISIANA
J. H. GOOD GENERAL AGENCY
Missouri and Kansas
KANSAS CITY, MISSOURI
REYNOLDS BROTHERS
Nebraska, Colorado and Wyoming
FREMONT, NEBRASKA

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of the Association of Fire Insurance General Agents]

Local Agents

The General Agent puts the facilities of many companies at the local agent's disposal. He has a staff of capable men thoroughly versed in the territorial conditions surrounding him, ready to give immediate help--and the service that brings tangible results --profits.

W. S. WILKINSON
North Carolina
ROCKY MOUNT, N. C.

AMERICAN AGENCY COMPANY
Oklahoma
TULSA, OKLAHOMA

THE T. E. BRANIFF COMPANY
Oklahoma, Texas and Kansas
OKLAHOMA CITY, OKLAHOMA

L. N. EWING COMPANY, INC.
Oklahoma
TULSA, OKLAHOMA

E. J. HEAVNER & CO.
Oklahoma
TULSA, OKLAHOMA

PHIL GROSSMAYER CO.
Oregon
PORTLAND, OREGON

J. M. COGLEY, INC.
South Dakota
SIOUX FALLS, SOUTH DAKOTA

HOLLISTER, DUX & HOLLISTER
South Dakota
SIOUX FALLS, SOUTH DAKOTA

DEXTER BROS. & WHEELER
Texas
DALLAS, TEXAS

GEO. M. EASLEY & CO.
Texas
DALLAS, TEXAS

T. A. MANNING & SONS
Texas and Arkansas
DALLAS, TEXAS

TREZEVANT & COCHRAN
Texas, N. Mex., Okla., Ark. and Louisiana
DALLAS, TEXAS

FLOYD WEST & CO.
Texas
DALLAS, TEXAS

LOUIS E. ENGLISH, INC.
Virginia and North Carolina
RICHMOND, VIRGINIA

GORDON & BROWN
Virginia, West Virginia and North Carolina
RICHMOND, VIRGINIA

[All offices participating in this publicity are members
of the Association of Fire Insurance General Agents]



Pet Dog Chews Ring Swallows Diamond

Little "Billy" pulls scarf from dresser, scattering contents of jewel case on floor. Playful dog attracted to the shining jewelry, selects diamond platinum ring, ruins the mounting and swallows large diamond. Diamond eventually recovered.

Assured collected for damage under Personal Jewelry Policy arranged by

A. F. SHAW & CO., Inc.

Insurance Exchange
Chicago, Ill.

75 Maiden Lane
New York City

General Agents—"All Risks" Department
Saint Paul Fire & Marine Insurance Co.

ORIENT INSURANCE COMPANY

of Hartford, Connecticut

For fifty-seven years writing
FIRE RIOT
TORNADO EXPLOSION
EARTHQUAKE AUTOMOBILE
INLAND MARINE

GILBERT KINGAN, Pres.

20-22 Trinity St.

Hartford, Connecticut

Western Dept.
CHARLES E. DOX
Manager

223 West Jackson Blvd.
CHICAGO

Pacific Dept.
Wm. W. GILMORE
Manager

332 Pine St.
SAN FRANCISCO

ing" being defined as a method employed by one agent to get an insurer to drop his policy in another company.

The legislature has also passed a law clarifying the present statutes so that marine and sprinkler leakage come under the fire license fee law. Another statute permits the destruction of old valuation records in the insurance department after six years. Heretofore both the fire department dues and the fire marshal's tax were required to be set apart from the license fees paid by inter-insurance associations. This requirement of segregation is now eliminated.

LAGERMAN REELECTED TO HEAD ST. PAUL EXCHANGE

ST. PAUL, Sept. 18.—John A. Lagerman of the Davis & Lagerman Co. was reelected president of the Insurance Exchange of St. Paul at its annual meeting. George W. Landon of the Landon-Sauer agency was reelected vice-president and W. S. Gillian was again chosen secretary. John Townsend, L. C. McGee and R. B. Nienhauser of the R. M. Neely Co. were added to the executive committee.

Commissioner Garfield Brown addressed the meeting. He expressed himself in favor of a state board of examiners to pass upon the qualifications of applicants for insurance licenses. He said there should be some tightening up in the requirements to keep irresponsible agents from the business.

Stresses Need for Salvage Work

MINNEAPOLIS, Sept. 18.—Municipal fire departments should do salvage work as well as fighting fires, Capt. John Townsend of the St. Paul Insurance patrol argued at the northwest fire school here this week.

"The object of a fire department is to prevent losses from fire to property in their municipality and every means known to science is employed by them to prevent and reduce fire losses," he said.

"Now in performing your duties of fighting fires would you not use every means known to reduce the loss, whether it be from fire or water? It is estimated that 75 percent of a fire loss is due to water damage. What equipment and apparatus have you in your department to help reduce this loss? If by covering the contents of a building with waterproof covers you can reduce this water loss would you not do so? You are accomplishing your work just as well as if you had gotten a new piece of apparatus that would extinguish the fire more quickly so that there was not as much property burned."

Companies Liable for Share

MADISON, WIS., Sept. 18.—BHL 448-S relating to the liability of fire insurance companies where there are two or more policies on the same risk, has passed the Wisconsin legislature and received the approval of Governor Kohler.

The bill provides that each insuring company shall be liable for its proportionate share of any such loss or damage, but in no event shall the insured be entitled to recover from any or all of such insuring companies a sum greater than his actual loss or damage.

New Arson Squad Active

MINNEAPOLIS, Sept. 18.—The newly organized Minneapolis arson squad has been active since its organization. A few days after it began its investigation of suspicious fires, two men were arrested and admitted having set fire to a house so as to collect \$500 insurance.

Minnesota Fire School Draws 400

MINNEAPOLIS, Sept. 18.—Fire fighters from Minnesota, North Dakota, South Dakota, Iowa and Wisconsin obtained instruction in the latest methods of preventing and fighting fires at the one-week term on the University of Minnesota farm campus this week. Approximately 400 firemen attended.

Lecture sessions by experts in the various phases of the work constituted the morning program, while drill evolutions and competitive work marked the afternoon periods. On the speakers' program were Clarence Goldsmith, Chicago, as-

sistant chief engineer of the National Board; Chief Frank C. McAuliffe, of Chicago Fire Insurance Patrol; David J. Price, Department of Agriculture, Washington, D. C.; G. H. Parker, Louisville, manager, and Albert Clemens, engineer of the Kentucky Actuarial Bureau.

Wisconsin Notes

Fire starting in a building at Neenah, Wis., owned by H. A. Stone and occupied by the Queen confectionery store, caused a loss estimated at about \$30,000, with damage of about \$10,000 to the building and the remainder on stock and fixtures. The loss is partly covered by insurance.

A heavy fire loss was sustained at Green Bay, Wis., in a fire of undetermined origin which razed the general store, meat market and soft drink parlor of Becher Brothers near the city limits. It was estimated that the loss may approximate \$100,000, and insurance carried will not exceed \$50,000.

Minnesota Notes

Edmund H. Winter, for many years head of the Winter Insurance Agency, Bemidji, Minn., died suddenly of heart disease.

Fire destroyed property valued at \$100,000 at the Osgood & Blodgett Manufacturing Company, St. Paul. One building and about \$50,000 lumber in the yards were saved. Otherwise the entire plant as well as a large portion of the lumber yard was lost. A second fire at the Insulite Company resulted in \$25,000 loss. Fireproof walls prevented the spread of the blaze.

MISSOURI VALLEY

WALCOTT HEADS ASSOCIATION

Sioux City Organization Considers Practical Application of New Iowa Rule Book

SIOUX CITY, IA., Sept. 18.—New officers were chosen at the annual meeting of the Fire & Casualty Underwriters Association at the Chamber of Commerce, Friday. They are: President, F. M. Walcott; vice-president, Ed Groszkruiger; secretary-treasurer, Victor J. Soderberg; executive committee, Rex Smith, Hal Clark and Paul C. Howe.

Important Changes Made

Most of the meeting was devoted to discussion of the new rule book promulgated by the Iowa Insurance Service Bureau last week, effective Sept. 9. Two important new rules grant, without extra charge, hail insurance cover under windstorm policies and inherent explosion cover under dwelling fire policies. Members of the local board are asking their companies if automatic cover for these two features will be assumed on existing policies or whether it will be necessary to endorse each outstanding policy to add these covers. It is believed that the former plan will be

COMPETENT

**Great American
Indemnity Company
New York**

Casualty
Insurance

Fidelity and
Surety Bonds

adopted in order to avoid a great amount of work both in the local and home offices and achieve the same result.

Probe Wichita University Loss

WICHITA, KAN., Sept. 18.—The Kansas state fire marshal's office has inaugurated a plan of investigating the cause of all large fires. The destruction of Fairmount Hall of Wichita University brought about the first investigation. A week's examination of witnesses was conducted by Douglas A. Graham, state fire marshal, and two deputies. If this plan is followed up and responsibility placed, it is believed that losses will be greatly reduced.

"Although there was evidence tending to show that there was a possibility of spontaneous combustion," said Mr. Graham, "the evidence was not sufficient nor convincing enough to assign that as the cause of the fire."

"There has developed in the inquisition other evidence in another and entirely different direction of such vast importance that while we are closing the inquisition for the time being, a vigorous investigation shall be continued by this department until every effort has been exhausted to learn the real cause of the destruction of Fairmount Hall."

Seek Closer Cooperation

ST. LOUIS, Sept. 18.—The St. Louis court of the Cat's Meow has appointed a special committee to consider ways and means for obtaining closer cooperation between the insurance companies and their agents on questions of mutual interest.

There has been considerable criticism in Missouri insurance circles because the agents were ignored in the 10 percent rate litigation. It is believed that had the agents been called into the conferences a more equitable and less costly solution of the differences could have been obtained.

It is to prevent similar mistakes in the future that the committee of the Cat's Meow has been appointed. Members of the organization feel that the insurance agents are as much interested in the insurance business of Missouri as any company operating in the state and should be considered in any movement that affects the business.

New Iowa City Plan Approved

IOWA CITY, IA., Sept. 18.—Approval of a new insurance plan was taken up by the board of education at its regular meeting last week. The board approved an insurance survey presented by Walter H. Ross, following a report by S. T. Morrison, chairman of the insurance committee, and voted to investigate the cost of installing fire extinguishers in the city schools. It also voted to include tornado and hail insurance in the new plan. The insurance committee was ordered to apportion the insurance outlined in the new plan among agents of Iowa City.

Central Kansas Field Club

WICHITA, KAN., Sept. 18.—Earl D. Patton, most loyal gander of the Kansas Blue Goose, was guest of honor at the meeting of the Central Kansas Field Men's Club this week. Mr. Patton outlined the Blue Goose relief fund and the members present unanimously approved the plan. Mr. Patton also urged that the fire prevention activities in the state, as conducted by the Kansas Fire Prevention Association, be emphasized for 1929-30.

The club voted to cooperate with the fire prevention committee of the Wichita chamber of commerce in the observance of Fire Prevention Week, and will inspect all churches, hospitals and public buildings that week.

N. Dekker of the program committee announced that a "question box" would be conducted for the next few meetings. Fred Phillips of the Rain & Hall Bureau was a guest and was voted to membership.

Footo Talks to Wichita Insurers

WICHITA, KAN., Sept. 18.—Duane T. Stover, vice-president of the Wichita Insurers, presided at the meeting of the club last week in the absence of President Lee Webb, who was attending the meeting of the National association. An unusually large attendance listened to Charles K. Footo, vice-president of the Kansas association, announce plans for the annual meeting of the Kansas as-

sociation in Dodge City, Oct. 17-18. Mr. Footo also announced that Kansas had gone over the top in the 1929 membership drive, having secured more than the 10 percent increase as outlined by the National association.

The Wichita Insurers voted to provide a program to be presented before all civic, professional and women's clubs during Fire Prevention Week. Duane T. Stover, Fred Horn, H. A. Blinn and L. B. Brown were named on the committee to arrange suitable programs.

Lyle Stephenson Burned

KANSAS CITY, Sept. 18.—Lyle Stephenson of the "Leave It to Lyle" agency and Guy E. Stanley, president of Fairfax Airport, were burned severely about the head and arms early Sunday afternoon when a gas well north of the airport was accidentally ignited, enveloping them in flames. Painful burns on the face and body were the most serious injuries. They were taken to the Providence hospital in Kansas City, Kan.

The well became ignited just as the drillers tapped gas sand. The fire was probably caused by a spark from the drilling cable on the edge of the casing.

Kansas Notes

R. Given Hagney, vice-president of the Wheeler-Kelly-Hagney Trust Company of Wichita, is able to spend two hours a day at his desk and is recovering from a break in health, suffered some two months ago.

Clifford Frates, vice president, and H. G. Hix, manager of the engineering and service department of the Frates Company of Tulsa, Okla., were in Wichita last week on business. Mr. Frates made the trip by air in one day.

Harry J. Light, local agent at Winfield, Kan., and secretary-treasurer of the Fidelity Trust Company, died last week following an operation for appendicitis. Mr. Light has managed the insurance department in connection with the Winfield State Bank for the past nine years.

Fire of undetermined origin destroyed the grain filled elevator of the Arnold Milling Company at Sterling, Kan., entailing a loss estimated at \$75,000 to the frame elevator and 40,000 bushels of grain. Although handicapped by poor water supply the fire department was able to prevent the flames from spreading to nearby structures.

Iowa Notes

Mr. and Mrs. L. D. Lloyd of Grand Island, Neb., have opened a general insurance agency at Red Oak, Iowa.

Mrs. Gilbert S. Avery, Sr., 54, wife of the well-known local agent of Mason City, Ia., died at her home last week as result of a fractured skull suffered when she fell down the basement steps at her home.

F. Van Druff of Council Bluffs, Ia., who has been an executive of the Pottawattamie County Farmers Mutual for 22 years, has resigned as secretary to devote his attention to his own motor and insurance business.

Nebraska Notes

Policyholders of the Federated Merchants Mutual of Lincoln, Neb., have formally voted their assent to the proposition of the Northwestern Mutual Fire of Seattle to reinsure all of its risks.

Amateur firebugs are held responsible by Chief Hansen of Lincoln, Neb., for a series of fires started within a few days in the vicinity of Fourteenth and B streets. Rags were used in starting a fire in a closet at one place where the family was not at home, and the same method was used in a vacant house owned by the same person.

Water Commissioner Schroeder of Lincoln, Neb., has submitted for the approval of the water board and council plans covering an expenditure of \$500,000 for the purpose of insuring better fire protection and a larger supply of water. Of this sum \$300,000 will be expended in doubling the reservoir capacity to 50,000,000 gallons, and the remainder in purchasing equipment for the water and lighting department.

Missouri Notes

The Fidelity & Guaranty Fire of Baltimore plans to open a branch office in St. Louis in the very near future.

Otto Hampe has severed his connection with the Jefferson Mutual Fire in St. Louis and is now a Class 1 agent for the Mercury Fire. He has opened offices with the Standard Underwriters in the Pierce building.

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An Agent's relationship to his Company is one of the highest trust. He is under obligation to devote his whole attention and best skill and judgment to its service and jealously to guard its reputation as well as its material prosperity.

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FIRE
INSURANCE COMPANY
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Organized 1881
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INSURANCE COMPANY

Automobile Insurance—Full Coverage—All in One Policy

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Ample Garage Facilities
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STATES OF THE SOUTHWEST

STRONG TEXAS DELEGATION

**Lone Star State Was Well Represented
at the National Agency Convention
at Detroit**

The Texas agents had a fine delegation at Detroit last week attending the meeting of the National Association of Insurance Agents. John Boyce of Amarillo, while en route to Detroit, received word of the death of his father and hence returned to his city. The delegation was led by Fred M. Burton of Galveston, member of the national executive committee. There were present Charles L. Duncan of Mt. Pleasant, president, and D. G. Foreman of Fort Worth, secretary Texas association; J. Lloyd Harper, Fort Worth; F. F. Ludwig, San Antonio; W. Tucker Blaine, Houston; Travis Lambert, Port Arthur; Frank Sparks, Corpus Christi; R. W. Thompson and Harry R. Maxson, Dallas; Harry Wood and Champ Fitzhugh of Waco and Horace Robbins of Wichita Falls.

Endorse Policy-Writing Resolution

The resolution recently adopted by the Texas Association of Insurance Agents, in favor of policy-writing agents, has been endorsed in toto by the general agency of Cravens, Dargan & Co., Houston, according to its house organ, the "Review." The resolution recited that the public generally is losing confidence in insurance agents because of the multiplicity of part-time solicitors, and it goes on record as favoring policy-writing agents and solicitors who are giving all their time to policy-writing agents. The resolution further calls on local agents and companies to refrain from requesting licenses for anyone but policy-writing agents or whole-time solicitors. In commending the Texas association on its move, Cravens, Dargan & Co., call attention to the fact that they have always opposed the promiscuous appointment of solicitors.

Texarkana Conditions Unsatisfactory

DALLAS, Sept. 18—A most unsavory condition has arisen in Texarkana, Tex., with regard to recent fires which authorities, both county and state, believe to be of incendiary origin and are investigating with a view to fixing liability. Companies have been called on to have their field men go over very carefully all business on their books covering in Texarkana, that any examples of over-insurance or doubtful moral hazard may be culled before further fires augment the loss experience.

Big Oil Loss at Seminole

The fire at Seminole, Okla., which caused damage of \$225,000 to six buildings and five oil storage tanks, is being rigidly investigated by officials who are at a loss to understand its origin. The entire town was panic-stricken when it seemed the whole city would be destroyed by embers and exploding oil. Fire companies from Shawnee and We-woka succeeded in bringing the fire under control. The W. A. Stuart Oil Corporation and the Douglas and Peaton Oil Company are the biggest losers. Three gasoline tanks, each estimated to have

contained 500 barrels of gasoline, exploded, scattering the fluid over a wide area and threatening a large group of Magnolia Petroleum Company tanks and the business district of the town. A garage, wholesale grocery warehouse and four dwellings were burned.

Rains Reduce Oklahoma Hazard

OKLAHOMA CITY, Sept. 18—Normal fire hazard conditions have been restored to Oklahoma City by the recent rains. Extreme dry conditions resulting from the prolonged drouth have been relieved and the number of runs made by the city department fell more than 50 percent, according to Fire Chief George Goff.

New Oklahoma Rule Book Approved

OKLAHOMA CITY, Sept. 18—A new rule book, filed by C. T. Ingalls, manager of the Oklahoma Inspection Bureau, has been approved by the state insurance board and will become effective Sept. 30. The schedule will be more of a simplification of the old schedule than a lowering of rates, Mr. Ingalls said.

Texas Key Rates Reduced

AUSTIN, TEX., Sept. 18.—Fire insurance key rates were ordered reduced by the state board of insurance commissioners in the following Texas towns, on account of waterworks improvements: Booker, from \$1, to 63 cents; Follett, \$1 to 65 cents; Groom, 95 to 80 cents; Silverton, 95 to 58 cents; Higgins, 90 to 79 cents; Palmer, 95 to 59 cents.

Texas Notes

Oscar B. Neal, formerly a member of the Mathew-Christie-Neal Agency at Quanah, Tex., has now joined the general agency of Cravens, Dargan & Co. at Houston.

A freak tornado struck Cooper, Tex., Thursday afternoon, doing extensive damage to structures all over the town. The seedhouse of the Cooper oil mill was entirely demolished, fronts of all stores were wrecked and one automobile was lifted high and set on another one, badly damaging both.

For the second time this year Martin's Mill, Tex., was wiped out by fire last week, with loss to five buildings of \$20,000. In January, all structures on the north side of the square were destroyed. Officials of Van Zandt county are not satisfied as to the origin of the fire and have begun a thorough investigation of the blaze.

Oklahoma Notes

T. Dana Roberts, vice-president of the Associated Fire & Casualty Underwriters of Oklahoma City, was elected vice-president of the junior chamber of commerce.

The local agency of A. L. Strong of Blackwell, Okla., recently deceased, has been purchased by F. J. Gould. Mr. Gould also acquired the Blackwell branch of the Local Building & Loan Association of Oklahoma City.

Following an unusually quiet season in Oklahoma as far as wind and hail storms are concerned, damage estimated between \$100,000 and \$200,000 resulted from a heavy wind storm in the vicinity of Norman. All losses were small, consisting largely of roof damage and other light damage to dwellings. The Curtiss Flying Service hangar and plant, south of Norman, suffered damage.

IN THE SOUTHERN STATES

MISSISSIPPI RATES REDUCED

**Companies Will Receive \$750,000 Less
in Premiums Commission Announces;
New Scale Not Complete**

JACKSON, MISS., Sept. 18.—Although the actual scale is yet to be worked out, the Mississippi insurance commission has announced that a reduction of \$750,000 will be made in the annual fire insurance premiums paid

in Mississippi. All classes of property will be affected by the reduction, but no figures have been received which would give a comparative basis for percentage of the reduction. Many of the risks have been written by mutual companies and the figures are not available from those associations.

The reduction is to become effective Oct. 1 and will not be retroactive on policies written prior to that date. The companies have not taken an active part in the hearing held by the insurance commission and it has been considered

an indication that the reduction is agreeable to the underwriting interests.

Fire insurance rates were increased two years ago and a strong protest from policyholders followed. The present reduction is a result of that agitation.

SOUTHERN AGENTS WANT CONTINGENT CONTRACT

The state local agents association officers and other delegates from the Southeastern Underwriters Association states at the Detroit convention of the National Association of Insurance Agents last week had a conference regarding further steps to be taken toward getting a revision of the commission contract so that a contingent could be paid. The agents desire 10 percent contingent in addition to the 20 percent flat as now permitted.

Kentucky Still Without Commissioner

In spite of an announcement by Clell Coleman, Kentucky state auditor, that Bush W. Allin would at once take the oath of office as insurance commissioner of Kentucky, under an appointment made in March, effective April 1, Kentucky is still without an insurance commissioner. Arch L. Pulliam, former deputy, continues in charge as acting commissioner.

New Law Holds Back Applications

TAMPA, FLA., Sept. 18.—The new Florida agency law seems to be holding back the applications for licenses, the final date for which is Oct. 1. Commissioner Knott says he does not find any great amount of objection either to the law or the department attitude to it, but at the same time less than a fourth of the requests for authority that are anticipated have been received.

There are a few cases held up for investigation and one, with probably two, rejections. It is known that some of the special agents feel that the law will be hard on them in cutting out men who have been giving only a part of their time to agency work, and there will be a big kick, no doubt, when some who have been holding authority to carry their own or their associates coverage are left out of the list, and it is anticipated that there will be many of these.

Wants Commission to Control Rates

BIRMINGHAM, ALA., Sept. 18.—The Alabama League of Municipalities wants a commission in Alabama to govern fire insurance rates. At a meeting in Birmingham last week the league authorized its president, Mayor Harry T. Hartwell of Mobile, to name a committee to draft a bill to be introduced in the next legislature creating a commission. Alabama at present has a single insurance commissioner. Insurance men are expected to oppose any change in the present law.

Haynes Looking After Kentucky

Hines Brothers, southern managers for Crum & Forster, will not appoint a successor to R. O. Meserole, Kentucky special agent, until after the busy season is over. Agency Superintendent Harry Haynes will maintain headquarters in Louisville and be in charge of the field until that time.

George Washington Quits Godbold

RICHMOND, VA., Sept. 18.—The George Washington of Greensboro, N. C., one of the McAllister group, has withdrawn from the H. V. Godbold Company agency at Richmond. This company had been in the agency for seven or eight years. Its withdrawal leaves the agency with only two fire connections, the Buffalo and the People's of Frederick, Md., both excess commission companies. Mr. Godbold says that while the George Washington assigned no reason for leaving his office his understanding is that it was simply another move to enforce separation between association and non-association companies. The Stuyvesant, which withdrew from his office recently, has since planted with the R. B. Augustine & Co agency in Richmond.

Field Vacancies in Kentucky

A number of field positions are unfilled in Kentucky. Of four such posts

ON THE PACIFIC COAST

GO AFTER CHURCH CARRIER

Utah Agents Object to Glowing Promises—Seek Name of Reinsurer to Cancel Contract

Operation of the Church Properties Fire of New York, organized to insure property of the Episcopal church and affiliated organizations throughout the country, may not meet with success in Utah due to the activities of Clarence E. Raybould, head of the insurance department of Ed D. Smith & Son, general agents of the Aetna Life and affiliated companies in Salt Lake City, and other agents and devoted church men of the state.

The move to throw the light of reason on the promises made in circular letters to the Episcopal churches throughout the country by Monell Sayre, executive vice-president of the church mutual, may take the form of asking church officers if they would like to have insurance men of the United States band together and withdraw from all the principal churches in order to organize their own church, thereby taking away all financial support they have been giving the Episcopal order and putting it into a new church because the old one was alleged to cost too much.

In addition Utah insurance men may ask permission to recommend from the pulpit to parishioners that their churches be administered according to the general principles of mutual insurance, which, according to some Utah agents is socialistic in tendency.

A practical move, however, has been taken by Utah agents in an inquiry to

ascertain the names of reinsurance companies which are said by Vice-President Sayre in his circular letter to have entered into a treaty with the church mutual to absorb any losses resulting from the direct sale to churches without benefit of insurance agents.

"I shall fight the placing of any fire insurance with the Church Properties Fire Insurance Corporation," Mr. Raybould said this week. "I do not think it is right or fair that strong financial stock companies should extend their reinsurance facilities to a corporation whose avowed purpose is, to say the least, markedly socialistic."

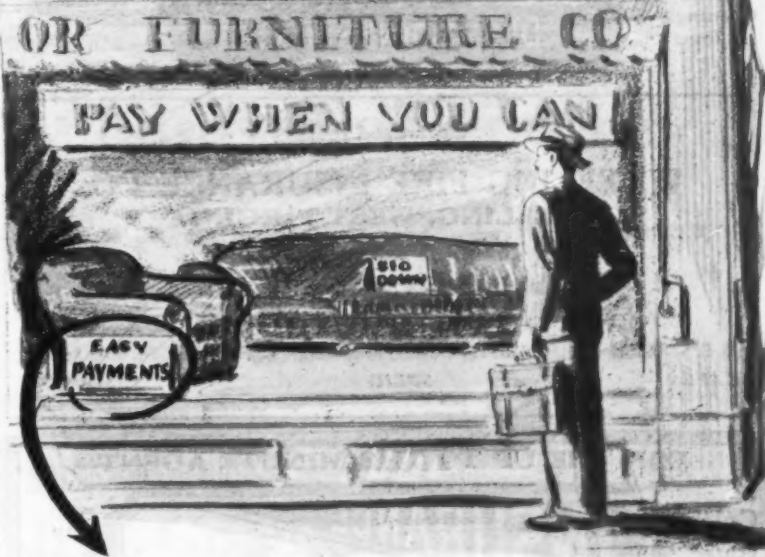
Companies occasionally in the past are said not to have been above entering reinsurance treaties with mutuals, but the stock companies realizing the danger

of this practice finally refused to re-insure mutuals. However, reinsurance companies, and particularly foreign reinsurance interests, are at liberty to transact business with whomsoever they wish. Utah agents intend to ferret out the great reinsurance group behind the church mutual with the object of ascertaining if it may be possible to cancel the reinsurance contracts.

BIG CUT IS MADE IN RATES ON WOODWORKING PLANTS

SEATTLE, WASH., Sept. 18.—Rates on sprinkler-protected woodworking plants have been slashed 30 to 50 percent by board companies, effective Sept. 21, are aimed at the most voluminous class of business written by non-board companies. H. K. Dent, president of the General and allied companies, announced that those companies would not meet the cut.

Commissioner Fishback holds that the



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The Installment-Plan of selling all forms of merchandise has created a large market for Installment Floater insurance. It covers the interest of the dealer and/or purchaser on all property which is loaned, rented, leased or sent out on trial or which is sold on the partial payment plan, until the merchandise is fully paid for.

It gives floater coverage on the property insured while in transit for delivery, on land or water. Fire and lightning coverage is given while the merchandise is in the home of the purchaser. It may be extended to cover Tornado, etc.

The huge volume of merchandise of all kinds sold on the partial payment plan gives this coverage a ready market. Every manufacturer, wholesaler, or retailer, who sells on a partial payment basis, or who leases merchandise, is a prospect. Two forms are available. Large premiums, a ready market and little competition make the Merchandise Installment Floater policy a money-maker for agents.

Merchandise Installment Floater Insurance is just one of the more than fifty unusual coverages offered by McGee & Company through local agents. It will pay you to find out about them.

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MARINE—AVIATION—ALL RISKS

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Virginia Notes

The Germanic Fire has planted with the Duke A. Putney agency at Richmond, Va. This is a non-board agency.

C. W. Walsh, formerly examiner for the Southern Home of Charleston, S. C., is now with the P. Lester Hawks general agency at Richmond in a similar capacity.

W. W. Sproul, member of the Cowle & Sproul local agency at Staunton, Va., was the beneficiary of the proceeds of a \$10,000 life insurance policy under the will of his brother, Hugh B. Sproul, coal operator, banker and agriculturist of Staunton, who died recently, leaving an estate of \$500,000.

Under an amendment to its charter, maximum capital stock of the R. B. Augustine Insurance Agency of Richmond is increased from \$25,000 to \$100,000. This is to take care of expansion of the agency incident to the recent merger of the Talley, Hobson & Richardson agency with that firm.

Kentucky Notes

Harold Amsden, chief examiner of the Springfield Fire & Marine, is spending a few days in Kentucky.

H. B. Hewett, manager of the First Kentucky Fire, Louisville, has recently returned from New York, where he spent a few days on company matters.

G. H. Parker, manager of the Kentucky Actuarial Bureau, Louisville, is on a trip to Minneapolis and Chicago, planning to return to Louisville about Sept. 23.

Special Agent A. L. Lowe, from the home office of the Glens Falls, came to Louisville last week to drive back a Buick car, stolen from Rutland, Vt., two weeks previously and recovered by the Louisville police.

The Cumberland Insurance Agency of Pikeville, Ky., has filed articles of incorporation. The incorporators are Minerva Fortune, John M. Yost and Walter Hatcher. The capital is \$20,000.

\$4,000 Gone Up in Smoke—

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FIRE—TORNADO—THRESHER—AUTOMOBILE INSURANCE

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\$2.00 a Year

But the CASUALTY INSUROR will
eliminate many of them in your
solicitations for CASUALTY BUSINESS

reductions mean doing business at a loss of 200 percent but the office has no option but to file the rates following a decision about a year ago that the section of the state insurance code giving him power to prevent rate wars and to require evidence justifying rate reductions is unconstitutional.

Blue Goose Honors Page

SAN FRANCISCO, Sept. 18.—Charles R. Page, vice-president of the Firemans Fund, who recently returned to San Francisco, was guest of honor at the Blue Goose luncheon Sept. 6. Jay W. Stevens, chief of the fire prevention bureau of the National Board, delivered the address of welcome. More than 150 prominent executives and underwriters were in attendance.

Logging Pool Reports Experience

SEATTLE, WASH., Sept. 18.—A loss ratio of between 50 and 60 percent is reported to date by the Logging Underwriting and Inspection Association, through E. B. Ellis, Seattle representative. However, the next few weeks are considered the most hazardous of the season and warnings to this effect have been sent to all member firms by Mr.

Ellis. This loss ratio is approximately the same at this time as last year.

Get L. & L. & G. in Portland

Martin & Campbell-Rule & Sons, Portland, Ore., have been named as general agents for Liverpool & London & Globe. Headquarters have been established on the 11th floor of the American Bank building.

Coast Notes

The Automobile Club of Orange County has received a license to conduct a service organization in line with new law governing the conduct of automobile clubs in California.

G. H. Mullin, president of the general agency firm of Mullin-Acton Company, San Francisco, has returned home after several weeks in the eastern industrial and insurance centers in the interest in several nation-wide accounts which his firm handles.

R. R. Robertson, recently named superintendent of agencies for the London & Lancashire companies at Pacific headquarters in San Francisco, has assumed his new duties. He was for a number of years special agent for the companies in the Pacific northwest.

IN THE MOUNTAIN FIELD

DAMAGE NOT DUE TO FIRE

Fumes and Smoke from Water Thrown on Drawn Furnace Fire Not Covered by Standard Policy

DENVER, Sept. 18.—A Denver court has held that smoke and dust caused by water thrown on a drawn furnace fire is not caused by a fire within the meaning of the standard fire policy.

About a year ago the fireman in a business block here pulled his fire from the heating furnace and sprinkled it with water. Following this fumes and smoke rose from the drawn fire and passed through the store of Primrock Brothers, dealers in men's furnishing goods, located above.

These merchants carried insurance in the Henry Clay and Millers National and their claims for damage to their merchandise by smoke were not allowed by the companies. The dispute finally found its way into the district court where the decision was in favor of the companies.

Mountain Committee to Meet

The joint supervisory committee for the Rocky Mountain field will hold its annual meeting in Colorado Springs, Oct. 7-9. The Western Union will be represented by W. B. Flickinger of the Philadelphia Fire & Marine, J. R. Wilbur of the America Fore group and John A. Campbell, Home of New York. The Bureau will be represented by Herbert A. Clark, Firemen's of Newark; Walter D. Williams, Security of New Haven, and Charles H. Yunker, Milwaukee Mechanics. The Pacific coast representatives are Frank G. White, A. T. Bailey, and George O. Smith.

Losses Up, Premiums Reduced

DENVER, Sept. 18.—An increase of 15 percent in losses and a decrease of premium income of 5 percent for the Rocky Mountain territory is announced by Cashman & Evans, general agents, Denver, for the current year.

The losses, it was indicated, included all forms of insurance written by the firm, and included fire, compensation, casualty, automobile and others.

"Smaller mercantile stocks and reduced terms of insurance," were named as the causes for the reduced premium income.

However, reports generally heard in Denver indicate a little improvement in premium income for the current year, with normal loss ratios.

Colorado Blue Goose Hears Fuller

DENVER, Sept. 18.—Members of the Colorado Blue Goose listened to a talk

Monday at luncheon by Guy H. Fuller of Oklahoma City, deputy most loyal grand gander, who visited Denver en route to the grand nest meeting at San Francisco. Mr. Fuller explained the purposes of the Blue Goose and briefly outlined its history.

Eugene B. Stebbins of Denver was elected an alternate delegate to the San Francisco meeting in order that he might attend in the place of Delegate Karl Eppich, who, it was announced, would be unable to attend.

Standart & Main Get Fulton Fire

DENVER, Sept. 18.—Standart & Main, Denver general agents, announce they will represent the Fulton Fire of New York, a subsidiary of the Hanover, for Colorado and Wyoming.

Colorado Notes

The United Mutual Fire of Boston, the Millers Mutual Fire of Harrisburg, Pa., and the Southern Fire of New York have been admitted to Colorado.

The Continental Insurance Finance Corporation, 228 Cooper building, Denver, has been incorporated by D. L. Richard, E. C. Tibbets and W. L. Rea.

Montana Notes

Companies recently licensed in Montana include the Indiana Lumbermen's Mutual, First National of Seattle, and Public Fire of Newark.

Harry G. Burton has been appointed special agent in Montana by Arthur Whalley, head of the John A. Whalley & Co. fleet. His headquarters will be in Butte.

Every wide-awake local agent should read his personal copy of THE NATIONAL UNDERWRITER.

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EASTERN STATES ACTIVITIES

EXPECT LARGE ATTENDANCE ASK BUILDING CODE REVISION

Separation Move and Coinsurance Clause Requirement to be High Lights in New Jersey Meeting

NEW YORK, Sept. 18.—Attendance at the annual meeting of the New Jersey Association of Underwriters to be held at the Plaza Hotel, Jersey City, Sept. 19, is expected to be unusually large owing to the wide interest of agents in underwriting conditions in the state at this time.

A review of the action of the Eastern Underwriters Association in rescinding its coinsurance clause requirement is expected to be made, and the attitude of the organization toward the separation movement, to become effective Oct. 1, will be set forth. Several prominent company executives have been secured as speakers, and these are expected to afford illuminating comment on present-day field conditions.

Only members of the association in good standing will be privileged to be present, hence it behooves all agents delinquent in their dues to settle promptly and thereby insure their admission to the convention hall.

MARBLEHEAD HARBOR FIRE MENACE, INSPECTORS SAY

BOSTON, Sept. 18.—That Marblehead harbor, known throughout the world as a famous gathering place for pleasure craft and its yacht and schooner racing, where vessels to the value of \$23,000,000 are frequently anchored, constitutes a grave fire menace and demands attention from the state authorities, was brought out at a hearing before the special recess committee of the Massachusetts legislature on fire prevention. State fire inspectors made the charges.

Inspector Grady declared many of the vessels are so constructed as to present a menace in themselves. In case of conflagration among the craft there was great danger the fire would extend to the town and cause great damage there. It was recommended the state police boat, which frequently is at Marblehead, be equipped with fire fighting apparatus, as one precaution.

Fulton Fire Spreading Out

The Fulton Fire of New York, running mate of the Hanover, has been licensed in Maine, the fourth state which it has entered.

Start New Survey Soon

PROVIDENCE, R. I., Sept. 18.—A new survey of East Providence is to be started Sept. 23. This is being taken at the request of the fire department following substantial improvements and additions to fire fighting apparatus. It is believed the section will be classed to give a reduction in fire rates.

The Fulton Fire of New York has been admitted to Massachusetts and has appointed B. H. Campbell of Boston its local agent.

Fire Officials at Boston Hearing Seek to Extend Metropolitan System to Entire State

BOSTON, Sept. 18.—Timothy C. Murphy, chief fire inspector of the state department of public safety, advised the special commission which is studying fire laws and losses, at a hearing at the state house last week that the best method of reducing fire losses would be to extend the fire prevention law in effect in the metropolitan fire prevention district to the entire state. He described beneficial results of the district regulations and argued that similar benefits would follow if all cities and towns had the same rules.

He recommended a revision of the building code so that fire protection, as contrasted with fire prevention, would be incorporated. With such a change, he said, an improvement would soon be noted in construction of buildings, with consequent reduction in fire losses.

Too Many "Unknown Causes"

Mr. Murphy said he was disappointed with the extension of the anti-rubbish law to the entire state. It was a good law, he said, but was in a degree nullified by the fact that pressure was frequently brought by politicians and others on local fire chiefs so that they failed to take action.

Detective Edward F. Horrigan, fire inspector in charge of the district including Chelsea, Revere and Winthrop, reported that 80 percent of the fires were reported due to unknown causes and that many of these fires are undoubtedly of incendiary origin.

Robert E. Molt, state fire inspector for Worcester county, declaring that 50 percent of the fires in the state could be eliminated if proper safety measures were taken, called attention to the fact that in Worcester the rubbish is not collected by the city. The result is, he added, that the rear parts of manufacturing and business blocks and tenement and apartment houses are cluttered up with refuse of all kinds, constituting a fire menace of the most flagrant type.

Seeks Death Penalty for Arson

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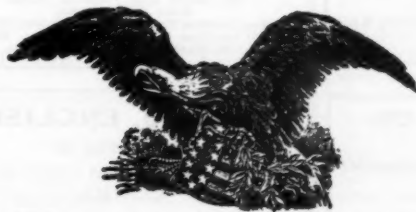
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Massachusetts house of representatives on petition of M. A. O'Brien, Jr., of Dorchester, death in the electric chair or life imprisonment would be the penalty for anyone found guilty of setting a fire in this commonwealth which resulted in the loss of life.

Burning of dwelling houses or similar domiciles for the purpose of collecting

insurance or for the purpose of destroying property of another would be punishable by a maximum imprisonment of 15 years; manufacturing establishment and public buildings, 10 years, and merchandise, two years.

Attempted arson would be punishable by a sentence of not more than two years.

MOTOR INSURANCE NEWS

CONFERENCE PLAN SHAPING

Many Difficulties Face Auto Underwriters But Reorganization Program Is Expected by Jan. 1

NEW YORK, Sept. 18.—Steady progress continues to be made by the committee on the reorganization of the National Automobile Underwriters Conference, and those in intimate touch with developments are confident that an acceptable program will be prepared within a short time, and will be in operation by the first of the year.

Though a considerable period has elapsed since the committee of fifteen was named and disappointment is expressed in certain quarters at its failure to formulate a plan before now, the criticism is held to be unjust by those having knowledge of the numerous and severe difficulties encountered by the committee members in their desire to prepare a program that will stand the test to which it is sure to be subjected by nonaffiliated interests.

One of the big issues still awaiting solution is the handling of finance business, the supposition being that the launching of an independent company for writing fire and theft covers will be recommended.

The volume of general automobile business throughout the country continues to grow steadily; though by virtue of the increased number of companies that have entered the field, few individual offices are expected to show premium gains during 1929.

In a recent survey of the automobile industry, the investment house of Frazier Jelke & Co., of this city, states that at the beginning of the present year 24,630,000 cars were registered in this country; affording a car for every 4.87 persons. As to the future of the industry it says that "the estimated number of car replacements in the United States last year was 2,450,000," and that "The industry thus appears to be reaching a condition in which an increasing percentage of the output is consumed in the form of replacements. As the number of registrations has increased and as the cars in the higher registration years arrive at the replacement status, presumably these replacement figures should expand. To offset this, however, there is the used car market which remains the uncertain factor in the industry. To what extent the sale of used cars will limit the market for new cars is something that can not as yet be determined."

Discontinue Providence Theft Bureau

PROVIDENCE, R. I., Sept. 18.—Announcement has been made of the discontinuance of the bureau to investigate auto thefts. This is due to the marked drop in the number of stolen vehicles.

More than 400 automobiles were stolen in this city last year, which made a very high loss to companies. The first eight months of this year actual thefts have reached only 20, whereupon the investigating bureau was discontinued. Herbert Stengel, the investigator, has been transferred to Whitman, Mass.

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ADJUSTING UNITS AT WORK

Pacific Coast Auto Conference to Extend System—Saves Companies \$6,000 in July

SAN FRANCISCO, Sept. 18.—The establishment of 250 adjusting units in garages throughout California by the Pacific Coast Automobile Underwriters Conference is working out so well that the conference is now planning to extend the unit system to other parts of the Pacific Coast territory. According to W. T. Lovell, superintendent of adjusting units, the companies saved more than \$6,000 during the month of July as a result of the operation of the units.

Two years ago a study of the 1925 loss expense ratio disclosed the fact that it averaged in the neighborhood of 10 percent, but in many instances reached 20 percent. This high ratio was the result of having to send adjusters to small towns to adjust small losses at an expense which in many cases was more than the damage claim. It was also found that when the adjusting was left to agents they took a very liberal attitude to see that their clients were completely satisfied.

Eliminates High Charges

A program was then outlined establishing in cities and towns in the state adjusting units in garages. Agents and policyholders of conference companies have the right to go into any one of them when an accident occurs and have the automobile surveyed. The garage makes a direct report to the insurance company and is then given instructions as to the amount of repairs chargeable to the insurance.

The direct contact between the insurance companies and the garages has been very helpful to the companies. It has been the means of removing the prejudice which has existed between the two. The garage men have always taken the attitude that if it was an insurance job they should make the charges as high as the traffic would bear. Now that they are representatives of the companies and are given the work in their individual territory, they have changed and are giving the companies the same prices as an individual.

Broaden Coverage in Oklahoma

OKLAHOMA CITY, Sept. 18.—Added coverage is provided automobile insurance policyholders in Oklahoma through a theft, robbery and pilferage clause recently approved by the insurance board. The clause provides insurance while the machine is entrusted by the owner to another. The rate will remain unchanged.

The price of automobile insurance in Oklahoma has decreased 40 percent within the last two years, due to favorable experience, according to A. L. Roark, secretary of the insurance board.

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"How insurance agents can get along without reading their trade papers I cannot understand."—George A. Caldwell, President Tennessee Association of Insurance Agents.

TODAY

Buyers of insurance are demanding the best. Realizing this the Twin City Fire has developed until it is able to serve them completely and satisfactorily in all their insurance problems.

Writing fire, tornado, farm, automobile, hail, tractor and fur coat floater insurance in 33 states.

TWIN CITY FIRE
INSURANCE COMPANY
Minneapolis Minnesota

IN THE CANADIAN FIELD

FOREST FIRES GREAT MENACE

Dominion Minister of Interior Believes,
However, That Situation Shows
Much Improvement

OTTAWA, Ont., Sept. 18.—Charles Stewart, minister of the interior, who just returned from a visit to the different provinces from Ontario to British Columbia, during which he devoted much time to ascertaining the fire hazard in the Dominion timber belts, states that this hazard has rarely occurred from coast to coast with such seriousness as this year.

"Forest fires have been generally controlled all over the country," said Mr. Stewart, "and I found this favorable condition due to the intensive fire protection campaigns which have been waged by the various provincial services acting in close cooperation with the Dominion forest service."

Mr. Stewart found in the course of his travels that the most extraordinary developments had taken place in the methods used for detecting forest fires, including the valuable use of aircraft and building lookout stations. Another interesting development has been mechanical transport, which has been responsible for quick and efficient service.

Meteorological stations have been broadcasting "fire weather" and over 900 fires have been successfully handled. The most serious fire hazards were found in British Columbia, northern Ontario and New Brunswick.

"The result of this year's work by the different services of the department of the interior proves clearly," concludes the minister, "that we have but to concentrate and increase our effort when within a comparatively short period of time we shall be able to reach that stage when the forests of Canada will be afforded reasonable protection from fire."

DAWSON RESIGNS POST AS TORONTO CASUALTY HEAD

Resignation of A. E. Dawson, general manager of the Toronto Casualty, Fire & Marine, a position which he has held since the company was formed eight years ago, is announced. He is president of Canadian Associated Companies, Ltd., and managing director of the Merchants & Employers Guarantee & Accident. Mr. Dawson intends to devote his attention to these interests.

Control of the Toronto Casualty was recently acquired by Canadian Insur-

ance Shares, Ltd., a Canadian company. G. L. Smith, president of the Toronto Casualty, announces appointment of W. P. Fess and Paul H. Horst as general managers of the company.

No Date for Auto Probe

TORONTO, Sept. 18.—No date has yet been fixed for the continuation of the investigation of automobile insurance rates in Ontario, although it appears likely that the royal commission will resume its session within the next few months. Companies operating in this field have practically all presented their statistical data to the Recording & Statistical Service Corporation, which has been engaged by the commission to prepare the data for the inspection of the consulting actuaries. The data includes the cost experience of the companies for 1927 and 1928, with incomplete figures for 1929. The compilation and analysis of this large mass of statistics has been under way since June, and is not yet completed.

Canadian Losses Compared

According to the "Monetary Times," fire losses in Canada for the week ending Sept. 4 are estimated at \$869,500, as compared with \$239,000 for the corresponding week of 1928. From Jan. 1 to Sept. 4 losses are estimated at \$239,000 for the corresponding week of 1928. From Jan. 1 to Sept. 4 losses are estimated at \$20,605,550, as compared with \$13,669,600 from Jan. 1 to Sept. 5, 1928.

Minnesota Fire Enters Canada

The Minnesota Fire of Chatfield, Minn., has been licensed in Canada to write fire, tornado and sprinkler leakage, and also any damage caused by explosion of natural or other gas. J. Thibaudeau of Montreal has been appointed Canadian chief agent.

Made Alberta General Agents

Dunham & Tod, Calgary, Alta., have been appointed general agents of the New Brunswick Fire for the province of Alberta.

Canadian Notes

The Montcalm General has been licensed in the province of Quebec.

The Provincial Indemnity, having decided to go into liquidation, has not renewed its Quebec license.

Fire in the Medway block, an apartment house in Winnipeg, resulted in the loss of about ten lives. The damage to the block is estimated at \$30,000.

State Insurance & Investments, Winnipeg, has changed its name to the Stewart Agencies. The firm transacts a general insurance business.

Alex. M. Stewart, Canadian manager of the Hanover Fire, is touring western Canada en route to San Francisco, where he will attend the annual meeting of the Blue Goose.

MARINE INSURANCE NEWS

LOSS COSTS THE U. S. \$2,000,000

Court Upholds Contention of Shipbuilder
on Concession in Contract Made
to Save \$5,000 Premium

Lack of a builders' risk policy cost the government \$2,000,000 with burning of the "America," ship of the United States line, it was disclosed in suit by the Newport News Ship Building & Dry Dock Co. against the government to force it to assume all of the loss under a clause in a contract for repairing the ship. The circuit court of appeals, fourth circuit, ruled that the government was liable for the full amount of insurance carried but the dry dock company was on the rest of the loss, which was over \$2,000,000.

As a matter of fact no insurance really was carried on the vessel, since the government carries its own insurance on all government operated ships. The money

loss could have been obviated by payment of a \$5,000 premium, it was shown. When bids first were advertised for, contractors were asked to include builders' risk insurance in their estimates but finally the government waived this point and in a contract with the Newport News company made the concession to "continue the present machinery and equipment insurance on the vessel during the time it was at the bidders' shipyards." The contract was about 99½ percent complete when fire started in a stateroom. The shipyard carried builders' risk insurance sufficient to cover the value of new construction.

Handle German Ship Claims

PORTLAND, ORE., Sept. 18.—Claims on German ships and cargoes in this district in the future will be taken care of by the insurance firm of Durham & Bates. They will represent the Institute of Hamburg Underwriters in this district.

SALES IDEAS AND SUGGESTIONS

Helpful Hints for Fire and Casualty Insurance Producers

Agents Writing More Than \$300,000 in Premiums Annually Give Many Ideas on How to Produce More Business

AGENTS writing \$300,000 in premiums or more annually met for a round table discussion at the National Association of Insurance Agents meeting last week, with P. H. Goodwin of San Diego, Cal., presiding. The discussion regarding the payment of solicitors under commission or salary plans was enlivened by the experience brought out by one speaker who answered many questions. He stated that his office decided to place its solicitors on a salary basis. They were compensated for the business they had placed on the books of the agency on the basis of one year's commission.

It was found that the business increased and the cost of getting it decreased. This was due, the speaker believed, to the fact that the solicitors had all of their time for selling and the details of collection and policy deliveries were taken care of by the office. Furthermore the office was able to control the work of the solicitors better, assigning special men to cases where best results could be obtained. It was found that the men continued to produce business that justified salaries based on past experience.

Salaries in the coming year will be governed by production of business for the current year. The agency is now receiving about 70 percent of its business

from salaried solicitors and members of the agency and 30 percent on commission basis. The speaker said that thus far the cost has shown about 1½ percent in favor of the agency.

The paid solicitors are required to make daily reports on calls made and the business produced has increased about 8 percent over that developed on a commission basis.

The speaker also said that his office solicits renewals in advance about 60 days before expiration and thus cuts out a lot of not taken policies. He also stated, "If we can increase every client on an average of \$5 a year now on our books we can make an increase of \$60,000 a year in premiums."

Budget Payment Plan Operates Successfully

The same speaker explained a budget payment plan which his office has been successfully operating. It collects any amount possible on delivery of policy and then places the balance on a payment basis. A service charge of approximately 7 percent interest is made on the deferred payments and an annual policy is placed on a 10-month basis. Term business is sometimes budgeted for more than a year.

All payments no matter when written during the month are due on the 15th.

Delinquent notices are sent out five days after the 15th. Having one due date helps and simplifies very much, the speaker said. His office is very well satisfied with the results.

As to the effect of rate reduction this speaker said that he did not fear loss in business as he is confident he could make up all such loss with new business.

Advertising Fails to Pay in Some Cases

The next subject for discussion was "Does Advertising Pay—Direct Mail, Newspaper, Bill-Board and Novelties?" The first speaker said that his agency has spent a lot of money on newspaper advertising, \$3,000 a year for a period of several years. During that time, he said, only one inquiry could be traced to these advertisements and no business was received from it. He regarded direct mail as the best advertising medium.

Another speaker said that the best results his offices has gotten was through prospects obtained in the telephone book, carefully selected.

Another agent said that for two years his agency tried street-car and bill-board advertising but did not get satisfactory results as he felt it was not properly managed. The best results from advertising he found came in special ads following a local disaster.

The next speaker said that, in this line, his agency made use of an explosion in a meat market as an occasion for special advertising. Gratifying results were received through newspaper advertising and direct-mail follow-ups and \$800 in

premiums on explosion insurance on dwellings were written. But it was found in the end that the cost of the campaign was about three times as much as the commission earned. He commented that he thought a line which showed such a low loss ratio as explosion insurance ought to pay agents a better commission.

Another speaker reported good results from circulars furnished by companies which they enclose with expiration notices and bills. Particularly good results were obtained in this way for public liability insurance on dwellings. The results were immediate, and in many cases the assured wrote the office or telephoned. He said that his solicitors also pushed this line with good results.

Another agency which tried a number of advertising ideas and checked up systematically on results found that \$500 invested in a small sign with red letters on a white background headed "Insure With" and then the name of the agency, was very productive of good results. These signs were scattered liberally about the community and in the vicinity. While this was six years ago he said that his friends still call him "Insure With." This agency also made use of the Santa Barbara earthquake for special advertising in the newspapers and was swamped with business which amounted to \$10,000,000 of coverage but, incidentally, resulted in a lot of detail and some grief.

Keep Up With Times in Advertising Programs

Fred Bruns of Syracuse, N. Y., gave some valuable suggestions. He said it is necessary to keep up with the times in all advertising programs. What will answer today is out of place tomorrow. He said his agency found that the people it wanted to reach were no longer using street cars and so it dropped street car advertising. He described an office record which is used and passed out samples of the cards. On a large card is considerable information regarding a picked list of prospects and these are assigned to salesmen including members of the firm on a basis of 20 a week, the salesman indicating the prospects that he wishes to see. This is followed up closely by a clerk in the office who asks for reports on the cards. Very good results are obtained from this card. All the information relating to the customer-prospect is entered upon the card so that any salesman in the office can pick up the card and get all of the past history on the case and handle it intelligently.

The next subject discussed was whether it pays to have an engineering department in an agency. The unanimous opinion was that it does pay and most of the speakers said they would not try to get along without an engineer of their own. Most of them also stated that they use company engineering service in addition to their own. Some of these engineering representatives are permitted to solicit business with good results.

The next subject related to the use of company solicitors and the opinion seemed to be against this type of help for larger agencies. Several speakers indicated that customers were apt to think less of the agency which had to depend on outside expert assistance.

The subject of reduction of overhead cost to the uniting of a number of agencies in a central office and having much of the detail done by a common clerical force was briefly discussed. The experience of some cities in this particular were presented showing that a large reduction in overhead is thus obtained—as much as 50 percent in some cases.



**To-day—
to-morrow—**

TOO many people live from day to day without giving thought to the days to come.

Today may be uneventful but that does not prevent a fire or accident from taking place tomorrow. A handsome car can be reduced to a pile of junk in a few moments.

A New Brunswick combination automobile policy, in force today, protects your client's car against tomorrow's mishap.

Now is a good time to check up on the automobile insurance carried by your clients and prospects to see that it meets their requirements in every respect, giving them full value for every dollar spent.

NEW YORK OFFICE
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FIRE INSURANCE COMPANY



WILFRED KURTH
President

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Paper Cover, Price \$1.00

The National Underwriter
A1946 Insurance Exchange
Chicago

Recent Court Decisions Affecting Insurance Men

SURETY MUST PAY WIDOW

Supreme Court Rules National Surety Automatically Took Charge at Time of Default

Under a decision of the Virginia supreme court of appeals affirming judgment of the industrial commission of Virginia, the National Surety must pay compensation at the rate of \$12 a week for 300 weeks to Cora Lee Rountree, widow of Thomas Rountree, negro laborer, killed August 26, 1927, in an accident while engaged on a sewer contract in Richmond. Rountree was the employee of H. D. Driscoll, Inc., which was executing this work under contract with the city of Richmond with the Globe Indemnity as the compensation carrier and the National Surety on its bond. It defaulted August 24, and the city at a conference that day between all parties interested agreed to pay \$3,000 for work already done.

The same day, the Driscoll company paid off its men telling them that Allen J. Saville, Inc., another contracting firm of Richmond, would carry on the work and that "things would go on just as they were before." This firm for which the Employers Liability was the compensation carrier denied that it had agreed at that time to assume the contract. The National Surety took the position that it was merely on Driscoll's bond and that it was not until Sept. 12 following that it made arrangements with the Saville company, to complete the contract.

City Disclaims Liability

The city of Richmond disclaimed liability on the ground that it had not in any manner assumed the work in question. The Driscoll company in denying liability contended that its connection with the whole matter had definitely terminated by the formal declaration of default prior to Rountree's death. All parties agreed that Rountree met death by accident arising out of and in the course of employment.

In its opinion, the supreme court said: "The fact that the surety company did not actually begin work on the job until September did not relieve it of the legal duty under the contract to take charge of the situation upon the default of the Driscoll corporation." The opinion said further: "In view of the positive statements of witnesses that it was understood that the surety company took charge immediately upon the default on the part of the Driscoll corporation; that it was endeavoring to secure a contractor to complete the job; also in view of the fact that W. F. Curtis, representative of the company, failed in the face of this evidence to testify that his company did not take charge of the work seems to us conclusive of the question of liability."

Question of Towage Charges

Held that while transportation charges are not, in general, proper charges against the surety, still claims for water transportation carried on over short distances at frequent or irregular intervals, where the practice may not be to pay for such transportation upon delivery of the materials, or to assert the lienable right, are properly charged to the surety. The claim of respondent comes within the provisions of Rem. Comp. Stat. Sec. 1159 et seq., and it is properly chargeable against the bond of the contractor. *Nemah River Towboat Co. vs. Brewster, et al., Sup. Ct., Wash., Dept. 1.*

Monthly issues help monthly income of agents and brokers. **The Casualty Insurer**, monthly, \$2 a year, 175 West Jackson boulevard, Chicago.

AGENT ACTED BEYOND POWER

Representative of Company Not Authorized to Waive Policy Terms Covering Change of Ownership

In *Neiman vs. Hawkeye Securities Fire, Supreme Court of Iowa, 215 N. W. 244*, the company issued a policy covering the property of a bakery. It provided that change in the title of the subject of the insurance would void the policy unless the company had notice thereof and consented thereto.

The bakery became involved financially, and made an assignment of its property to a trustee. When this deed of trust was executed, a soliciting agent in the employ of the general agent of the company was given notice of this change of possession of the property covered. However, the company was not notified in writing nor did it ever consent to the assignment of the policy covering the bakery company property.

Company Denies Liability

While this property was in the possession of the trustee a loss occurred, and the company denied liability on the ground that the policy had been breached by the foregoing change of ownership. In reply, the plaintiff set up the notice that had been given to the soliciting agent and claimed that the acceptance of this notice constituted a waiver of the change of ownership clause in the policy. The trial resulted in a judgment in favor of the plaintiff. On appeal the higher court in reviewing the record, and in reversing this judgment said:

"It is conclusively shown that the defendant insurance company did not, by writing, consent to or acquiesce in the transfer or delivery of the insured property or to the assignment of the policy in suit. We are therefore not concerned with a new agreement created by the mutual consent of the parties. The contract of insurance, as made, was not modified. There was no new mind meeting as to the quoted policy provisions, supra. * * * Mere notice does not create a new contract. The rights of the plaintiff must be determined under the terms of the contract in evidence, unless the plea of waiver or estoppel is availing to the plaintiff."

Silent Consent Can Be Given

"It is a well-settled principle of insurance law that although by the terms of the policy it is provided that a change of ownership of the insured property will defeat the rights of the insured or an assignee of the policy, the insurer may consent to carry the risk notwithstanding the change of title, and by acts and conduct on its part, through its duly constituted agent, may waive such provision or be estopped by its acts and conduct."

"In other words, if, with knowledge of the facts constituting a forfeiture of the policy, the insurer continues to treat the contract as a binding contract and induces the insured to act in that belief, the forfeiture is waived. * * * It is quite obvious from the record that the instant policy contract was assigned by the insured before the loss, and that there was no express consent on the part of the insurer to the assignment. * * *

"Without further comment, we reach the conclusion that Redstone was not the agent of the insurer in the sense that he had authority, right, or power to waive any of the terms or conditions of the policy in suit. It is undisputed that he had no authority to issue policies or to execute indorsement or riders thereon. He had no authority to trans-

act the business generally for the company.

Ownership Change Not Known

"It may also be stated that there is no evidence that either the general agent or the insurance company through any other agent or person had notice or knowledge of the transfer of the insured property, or that the policy had been assigned as an asset of the Electric Bakery Company to the trustee under the terms of the trust deed, and at this point it may be said that the policy was not specifically referred to in the trust agreement, nor was there any written assignment of this policy to the trustee until the 14th day of February, 1925, about eight months after the fire loss. * * *

"In the light of the entire record, we reach the conclusion that the plaintiff has failed to establish a case."

"The judgment entered is reversed."

Bond Does Not Cover Price

This controversy grows out of the construction of a bridge. Held, among other things, that the language of the statute relating to the condition of the bond is very broad and comprehensive, yet the court is of opinion that it was never intended that the bond should cover the price which the contractor had to pay, either for the purchase or rental of machinery, tools and implements employed in the construction of the work. The contractor is supposed to furnish at his own expense the machinery and implements necessary to perform the work he has contracted to do, and it was never contemplated that his surety was obligated to pay for same. The value of a rented mule lost on the work does not come within the conditions of the bond. *Colonial Cressoting Co. vs. Perry, et al., Sup. Ct. La.*

Treasurer Not Liable

The treasurer of a corporation gave bond to cover "any direct loss sustained" through his failure "to perform faithfully and honestly" the duties of his office "and account for all funds and property" of the corporation, coming into his hands. Held, that for funds deposited in a bank, selected by the corporation where it was the treasurer's duty to deposit them and lost through failure of the bank, the treasurer himself is not liable and so there can be no recovery on the bond. *Lamberton Bldg. & Loan Assn. vs. Nat. Surety Co., Sup. Ct. Minn.*

Mortgage Decision in Illinois

The Illinois appellate court at Ottawa has handed down a decision in the appeal of the Eagle Star & British Dominions and North River. W. H. Kerber held a mortgage on the property of Katherine E. Girling of South Elgin. He was foreclosing the mortgage as interest had defaulted. The insurance companies were made defendants inasmuch as the property had burned. Under the mortgage clause the companies endeavored to pay the money due Kerber and claimed the right to have subrogation made to them to the extent of this payment. The companies declared that they had no liability to the mortgagee, Girling, as the supposition was that Girling was the sole owner of the premises. Mrs. Girling had commenced suit in the United States district court to force payment of the insurance. In the circuit court of Kane county, on motion of Mrs. Girling, a decree entered was entered requiring the companies to pay their share of the mortgage to the mortgagee Kerber and she would pay the rest.

The court overruled the contention of the companies that the rights of the mortgagee should be subrogated to them. This was based on the *Traders vs. Race*, 142, Ill., 338. In this case it was held that the company should be forced to prove its claim of nonliability so far as the mortgagee was concerned.

The companies before the appellate

Words of Agent Bind Company

Representation of Local Agent That Proof of Loss Was Not Necessary Held Binding on His Company.—In *Continental vs. Turner*, Court of Appeals of Ky., 1 S. W. (2d) 1063, the plaintiff brought an action to recover upon a fire policy. The defendant denied liability on the ground of failure of the plaintiff to file proof of loss as required by the terms of the policy.

In reply to this, the plaintiff set up that the agent had informed him that no proof of loss was necessary. The evidence tended to bear this contention out and the trial resulted in a judgment for plaintiff. On appeal the higher court, in reviewing the record and in affirming this judgment, said:

What the Court Held

"While there are some cases holding that a mere soliciting agent has no power to waive the requirements as to proof of loss, it does not appear here that the agent was a mere soliciting agent. On the contrary, it appears that he was the local agent of the company and the only person with whom the insured came in contact representing it. He issued policies in certain cases and was the local agent of the company in the county. No limitation upon his authority being communicated to the insured, he had a right to rely upon the agent's statement. * * *

"The testimony as to the agent's authority not being controverted, the circuit court properly refused a peremptory instruction in favor of the defendant and properly gave the instruction above quoted. Judgment affirmed."

Plaintiff was not unconscious or forgetful of the fact that the fire might be of incendiary origin, but in spite of that knowledge and conscious of that fact concluded to pay. Payment under such circumstances was voluntary, was not made under a mistake of fact, and cannot be recovered. *Meem Mutual Home Protection Fire vs. Lorfield, Sup. Ct., Wis.*

Don't Hoard Your Money! Blow \$2 on a subscription to *The Casualty Insurer*, Monthly, \$2 a year. A-1946 Insurance Exchange, Chicago.

court set up the claim of nonliability because of the division of ownership. It was claimed that this was an assertion of legal right, and hence it is not necessary to be proved in the foreclosure suit.

Court Upheld Position

The attorneys also claimed that denial of subrogation by the circuit court merged the notes and mortgage in the decree and that it would be inequitable to require them to pay the mortgage without the right of subrogation. The higher court upheld this position and reversed and remanded the case to the circuit court with instructions to amend the decree to include subrogation for the insurance companies. It thus overruled the *Traders vs. Race* case on the ground that the case in hand was not started by the companies.

What the Court Held

The court points out that if subrogation should be denied it would make the companies subject to all of the liabilities of the insurance contract, but deprive them of all the advantages of it. "To require the insurance companies to litigate the question of the liability with the assured before they can make payment to the mortgagee and be subrogated to his rights, would deprive and prevent the right of subrogation," the court said, and pointed out that such a situation would "thwart justice."

The
Automobile Insurance Company

(affiliated with the Ætna Life Insurance Company)

writes all forms of
Fire and Marine Insurance

The writing of automobile fire and theft insurance is but an incidental part of the business of the Automobile Insurance Company. Organized as part of the Ætna Life Group in 1913, the Automobile Insurance Company has steadily broadened its facilities until now it writes practically every known form of fire and marine insurance.

Automobile Insurance Company
of Hartford, Conn.



A Fire and Marine Company

The National Underwriter

September 19, 1929

CASUALTY AND SURETY SECTION

Page Forty-one

White Sulphur Plans Complete

Reservations on Three Special Cars to Casualty Meeting All Taken

ALBERT CONWAY TO TALK

Fire and Life Companies to be Represented—Wilson and O'Neill to Preside

NEW YORK, Sept. 18.—The program for the conventions of the International Association of Casualty & Surety Underwriters and the National Association of Casualty & Surety Agents, at White Sulphur Springs, W. Va., Oct. 1-3, has been completed. A large attendance is expected as all reservations on the three special cars leaving New York City via the Pennsylvania railway at 5:45 p. m., Sept. 29, have been taken.

The chairmen of the various convention committees are: Joint convention, F. J. O'Neill, New York City; entertainment, W. A. Edgar, Baltimore; reception, A. Duncan Reid, Newark; registration, J. J. Meador, New York City; golf, W. J. Falvey, New York City; horseshoe pitching contest, C. Sewell Weech, Baltimore; women's auction bridge tournament, Mrs. E. A. St. John, New York City; women's golf tournament, Mrs. H. M. Lyon, Bridgeport; transportation, C. W. Olson, Jr., Chicago; press, F. Robertson Jones, New York City.

The program as now virtually completed is as follows:

Oct. 1. Morning

Joint meeting called to order and presided over by President F. J. O'Neill of the International Association of Casualty & Surety Underwriters, who will also give an address on "Present Day Problems of the Casualty and Surety Business."

Address, Albert Conway, New York, superintendent of insurance.

"Present Day Fire Insurance Problems," William Quaid, executive vice-president, Southern Fire.

"Present Day Life Insurance Problems," James Lee Loomis, President Connecticut Mutual Life.

Oct. 1. Sports Program

10 a. m., women's golf tournament. 18 holes, medal play. Prize for winner and runner-up for low net and low gross score. Company players and agents players (8 prizes).

3:30 p. m. Women's putting contest. Prize for winner.

3:30 p. m. Horseshoe pitching contest for men. Prize each for winning team (two players).

Oct. 1. Evening

7 p. m. Dinner and round table discussion for the members of the National association, John M. Harrison, vice-president, presiding.

(CONTINUED ON PAGE 50)

Sullivan and Wysong Find Fault with Merit Rating

TORONTO, Sept. 18.—Commissioners John E. Sullivan of New Hampshire and Clarence C. Wysong of Indiana coincided in their views expressed before the National Convention of Insurance Commissioners at Toronto this week in opposition to automobile merit rating. The Indiana commissioner's address was in the nature of comments upon Commissioner Sullivan's paper. Both found factors fundamentally wrong in the scheme now applied by the National Bureau of Casualty & Surety Underwriters on passenger car risks.

One vital objection of Commissioner Sullivan's was that any reduction should be permitted from schedules which had been approved as "fair, reasonable and equitable, and he emphasized that if credit is allowed there should be very important factors to indicate that the ordinary hazard would present modifications commensurate with the credits granted.

Opposed to Fundamentals

He found that merit rating was in conflict with primary principles of insurance, that the loss of one unfortunate should be contributed evenly by all members of a community. Commissioner Sullivan said that an assured is satisfied to pay a premium which he thinks is fair and equitable in view of the anticipated hazards, but he will not regard with favor any increase in rates because the casualty against which he has insured occurs.

Commissioner Wysong for his part was of the opinion that merit rating holds no inducement for the reckless driver who is unconcerned, either carrying insurance or not, and being willing to pay any price merely to be relieved of all responsibility. He also declared that it would be difficult to get experience of insureds, either because they would make false statements as to past operations or would tell such plausible and logical stories in explanation of their accidents that they would be excused and their records marked clear.

His Chief Objection

But Commissioner Wysong's principal objection to the plan was that the unfortunate driver who has had an unavoidable accident or one in which to avoid heavy litigation he has made a compromise settlement, while he would not be strictly to blame, would pay the penalty under the proposed formula.

"Is it not inconsistent to contend that the payment of a just claim by the company shall entitle it to label the assured as one who is deserving of censure?" Commissioner Sullivan asked.

"It is very doubtful whether the plan will produce the results claimed, namely the reduction of accidents. Does it seem reasonable to contend that the average operator of a motor vehicle will drive more carefully and strive to avoid accidents merely for the sake of a small difference in his annual insurance premium?"

"The reward of \$5 or \$10 will have a strong tendency to encourage rebat-

ing on what may be termed a legitimate basis. What wholesome influence could be anticipated by offering a reward of \$5 or \$10 to the reckless operator? Could it be relied upon to change his will power and craving for speed? To develop the plan on the present average premium rate seems like a vicious venture which may be productive of many pitfalls with slight chance of real results.

Claims Plan Is Unfair

"The plan is unfair in its makeup, as it does make a distinction between normal persons by classifying one as a bad risk and the other as a good risk. The companies should at all times have the privilege of rejecting any risk. It should not be the desire of a company to impose a prohibitive premium rate upon the unfortunate.

"If the companies are convinced that they should undertake the direct responsibility of reducing automobile accidents, then it would seem more consistent that they retain the 10 percent credit and expend it in developing a systematic inspection service and work in cooperation with governmental authorities in regulating the operation of motor vehicles from the source of its origin, that being when operator's licence is issued and car is registered.

For Responsibility Law

"The commendable feature of automobile insurance is that it has prompted the entire nation to become interested in working out some solution to this nationwide vexing problem. If all the various interests would congregate to consider the matter of automobile insurance, it seems reasonable to contend that they would, no uncertain language, signify their confidence in what is generally known as a financial responsibility law."

The commissioner said the merit rating plan of the National Bureau of Casualty & Surety Underwriters, which gives a 10 percent credit to operators who have had no accidents involving bodily injury or property damage in the previous 24 months, does not solve the problem any more than the English "no claim bonus" plan. He said in England the plan causes friction and has aggravated policyholders, since competing companies raise the ante to 20 percent or 30 percent bonus.

Commissioner Wysong's comments in part were:

"Will the reduction of 10 percentum in an insurance premium make a reckless man more careful? Will he at all times through the term of his policy carry the thought that if he has no accidents that at a given date he will receive a small reward? I am of the opinion that the thought will never be held in his mind for any extensive period.

"Sales resistance is the big obstacle to the selling agent, and he will use every means at his command to lessen the same. He will bring to his command all of his implements of warfare,

(CONTINUED ON PAGE 50)

Adopt Auto Rates in Massachusetts

Commissioner Brown Promulgates Schedule Substantially the Same as Announced

INCREASED 3 PERCENT

Boston, Chelsea and Revere Protest New Scale—Charges Found to be Unjustified

BOSTON, Sept. 18.—Compulsory automobile liability insurance rates for 1930 in Massachusetts were formally promulgated this week, by Commissioner Merton L. Brown, substantially as announced in a tentative schedule two weeks ago. The commissioner altered the schedule to the extent of dividing motorcycles into three classes, dropping the \$1 allowance for transfer charge, and reducing the rate on Y cars in territory 7 \$5.

The three days' hearings last week, in which Chelsea, Revere and Boston protested the exceedingly high rates for those municipalities and charged the companies with padding loss settlements and paying claims without investigations, disclosed no evidence to justify the charges.

The commissioner states he found no evidence of fraud or of excessive payment on claims or settlements without proper investigation.

Authorizes Filing of Suit

The companies asked for an increase of 15 percent in rates for 1930 based on actual experience of 1927 and 1928. The commissioner's schedule allows but a 3 percent increase over all, with actual decreases in some territories. The companies also wanted 10 zones but only eight were created.

The board of aldermen of Chelsea Monday night authorized the city solicitor of that city to take the matter of the rate increases and the question of the constitutionality of the zoning system to the supreme court. Mayor Quigley of Chelsea at the same time issued a letter calling on the mayors of Boston and Revere to join with him in securing counsel to fight the new rates. Action must be brought within 20 days.

Commissioner Brown, in his statement, makes an interesting observation to the effect that the insurance department is already initiating steps to secure the necessary information upon which an individual merit or experience rating plan may be established.

A bill to prohibit the classification of risks and premium charges by territories and or zones in connection with the administration of the compulsory automobile liability insurance act by the commissioner of insurance, and calling for a uniform schedule of rates throughout the state, has been filed in the legislature by Representative O'Connor of Boston.

Casualty Group Sends Out Questions to Local Agents

ASK ABOUT "AD" PLANS USED

Answers Expected to Furnish Basis for Discussion at Insurance Advertising Conference

The casualty and surety group of the Insurance Advertising Conference, under the direction of A. W. Spaulding, manager production department of the Hartford Accident, has sent to local agents a formidable list of questions in the hope that the answers will indicate the points of greatest interest for discussion at its group session at the Cleveland meeting. These questions are:

1. Have you ever worked an advertising campaign?
2. Was it special or general? Was it on insurance as a whole, or on some special line like tornado, automobile, U. & O., burglary, plate glass, residence, liability, etc.? Describe one campaign.
3. What kind of advertising did you use? Newspaper, circulars, mail, distribution by boys, show window, booth at fair, or any other method?
4. Which did you find best?

How Were Names Secured?

5. How did you get names, and did you follow up the advertising with personal calls?
6. Did you get other insurance from this campaign besides the line you were advertising?
7. What is the most effective piece of advertising you have ever used in the production of any casualty line? Attach a sample if possible and describe briefly exactly how you used this advertising whether it be a folder, newspaper advertisement, novelty or other form. Also give your idea of what made it pull.
8. If it were a question of choice, would you prefer that a company help you with (a) newspaper or (b) advertising that can be sent by mail to various types of prospects?
9. Do you find that printed matter, circular letters, folders, booklets, etc., are particularly helpful unless followed up by personal solicitation?

Conditions Interfering With Sales

10. Is there any condition which is interesting with the sale of various lines which a company advertising or production department can help you overcome? Please discuss this in reference to (a) automobile insurance, (b) burglary lines, (c) plate glass insurance, (d) general liability lines.
11. Have you any general criticism or suggestion to make regarding the manner in which company advertising material is sent you or have you any suggestions to make regarding its use by agents?
12. How other than by the usual forms of advertising material and by the assistance rendered by field representatives can a company assist you in the production of business?
13. Please give a general description of your advertising practices, with comment on the results.
14. Will you state as well as you can why you do not advertise as much as the "experts" urge?

Questions on Mailing List

15. Have you ever tried to make up a mailing list, or do you feel that the number of prospects for the various lines is too small to justify a campaign?
16. Would suggestions on making up a mailing list be of any help to you?
17. Do you feel that a mail campaign would interfere with your office work, and if a simple plan of taking care of it was offered would you feel encouraged to undertake it?
18. Do you have trouble getting

Casualty Chairman



A. W. SPAULDING
Hartford Accident & Indemnity, Head
Casualty Group of Insurance Advertising Conference

Companies Can Be Named Defendants in Wisconsin

MILWAUKEE, Sept. 18.—In spite of the efforts of the Insurance Federation of Wisconsin and the Casualty Underwriters of Wisconsin, Bill 221S, one of the six measures introduced into the Wisconsin legislature during the 1928 session, which would allow insurance companies to be named party defendants in personal injury actions, passed both houses and has received the signature of Governor Kohler.

The new law permits joint suit against insurance companies and policyholders in automobile accident damage suits. Formerly it was provided that when suit was brought the jury should not be informed whether or not the person in the action held an insurance policy.

The bill amends section 85.25 of the statutes, relating to liability of insurer in automobile cases. The section is amended to read that any bond or policy of insurance covering liability to others by reason of the operation of a motor vehicle shall be deemed and construed to contain the following conditions: That the insurer shall be liable to the persons entitled to recover for the death of any person, or for injury to person or property, irrespective of whether such liability be in praesenti or contingent, and to become fixed or certain by final judgment against the insured, when caused by the negligent operation, maintenance, use or defective construction of the vehicle described therein, such liability not to exceed the amount named in said bond or policy.

letters that sound convincing? Do you write them yourself or adapt good ones that you see? Could the company advertising department help you with letters?

19. What, in general, is your criticism of company folders, booklets, and other printed matter, and how can this material be improved? (Please attach sample if possible.)

20. How can companies improve upon their present methods of supplying you with information regarding rates, coverages, etc., so that the process of selling casualty lines will be simplified? Please explain in detail.

21. Do you feel the lack of a clear explanation of the different coverages and why the prospects should buy?

New Jersey Responsibility Auto Law Is Interpreted

DRIVER MUST BE CONVICTED

Attorney-General Gives Opinion on New Law on Request of Commissioner of Motor Vehicles

NEW YORK, Sept. 18.—Uncertainty as to the operation of the new automobile responsibility law of New Jersey, which becomes effective Nov. 15, has been set at rest by the opinion of Attorney-General W. A. Stevens, who in a communication addressed to W. L. Gill, commissioner of motor vehicles, says:

"I have given careful consideration to the question as to whether the provision of chapter 116 of the laws of 1929 apply to claims that may arise from the first accident in which a motor vehicle owner or operator is involved, or only to claims that may arise subsequent to the first accident.

Must Be Convicted First

"The proof of financial responsibility under the statute is not required to be given until the person has been convicted of, or has forfeited a bond, or has had his case nolle, or has been concerned in a motor vehicle accident resulting in death or injury to a person, or in damage to property to the extent of \$100.

"A reading of the entire statute satisfies me that no bond, money or collateral is required to be given by any person until such person has been concerned in a violation of the law or an accident, as pointed out by section 1 of the act of 1929, and that when such bond, money or collateral has been given or deposited with you, it is only for the purpose of satisfying any execution issued against such person in any cause arising by reason of the operation of a motor vehicle owned or operated by such person after the giving of such bond or the depositing of such money or collateral."

Automobile Death Toll Is Likely to Pass Last Year's

HARTFORD, Sept. 18.—Automobile deaths the present quarter of the year are likely to show an increase of 25 percent over the second quarter, and nearly 60 percent over the first, according to reports received by the Travelers.

The deaths increased from a daily average of 57 the first three months to 71 in the second quarter, while the figures at present indicate that the daily average for the third quarter will be nearly 90.

The first seven months of this year, more than 14,000 persons met their death in automobile accidents. The steady increase in the number of automobile deaths reported month by month thus far by a large number of states indicates that the toll will approach the 20,000 mark by the time 1929 turns into the final three-month stretch. With 27,500 persons killed in automobile accidents last year, the experience of the last quarter would have to show a sudden turn for the better to prevent this year's toll from eclipsing the number of automobile deaths that occurred in 1928.

Winton & Co. Agents Meet

Winton & Co., general agents at Memphis, Tenn., for the Liberty of Dayton, held a meeting for its agents at Memphis last week. Vice-President George B. McCann, A. G. Ogle, manager of the claim department, and C. G. Coppess, manager of agency department, represented the home office. Smith T. Bailey of Louisville spoke at the luncheon on "The Liberty Is Good Enough for Me." At the banquet Grover Newton McCormick of Memphis, attorney and adjuster for the Liberty, spoke.

Great Eastern Casualty of Newark Given License

IS CAPITALIZED AT \$300,000

Margulies Heads New Company—Will Write Liability and Property Damage on Private Automobiles

The Great Eastern Casualty, which was organized the latter part of last year in Newark, N. J., has been licensed by the New Jersey insurance department, with a capital of \$150,000 and a surplus of similar amount.

The company will write private automobile liability and property damage. Agencies will be established in New Jersey, where the company will confine its operations for the present. Within a short time application will be made for admittance to nearly all states.

Emanuel Sinclair Margulies is president of the new company. Besides being president of the New Jersey Realty Company, the Zender Investment Corporation, New Jersey Mortgage Guaranty Company, the Baltic Title & Mortgage Guaranty Company and the Marpole Airways, Inc., he has been engaged in the insurance field in Newark for the past 10 years and is well known and informed as to the casualty situation in New Jersey. For about five years he was a general insurance broker, but since 1923 he has operated an insurance agency.

Fowler to Be Vice-President

Charles N. Fowler, who is vice-president, was one of the proponents of the Federal Reserve banking system and has had a wide experience in the financial world. Henry Livezey is treasurer.

Among the directors are the following: Alfred H. Corwin, president of the Plantaganet Corporation of East Orange; Percival Mallory, president of the International Mortgage Corporation of New York City; Charles H. Bond, formerly president of the Bond Clothing Stores of New York City; Serge Halman of the Aeolian Company of New York City; Harold T. Stanton, president of the Foreign Chemical Company of New York City, and Samuel Salynger, president of the Great American Neon Corporation.

Offices have been established at 1060 Broad street, Newark. Mr. Margulies plans to surround himself with a staff of competent casualty underwriters and field men. The company will start writing business at once.

Would Organize Iowa to Cut Automobile Accidents

DES MOINES, Sept. 18.—A movement is on foot to form an organization in Iowa similar to the Iowa State Fire Prevention Association, but, instead of searching out fire hazards and imploring people to take every precaution to avert loss of life and property from destructive flames, the new organization will seek to promote safe and sane automobile driving in order that accidents may be averted.

The Iowa Good Roads Association has taken cognizance of the need of greater care in the use of public highways. W. R. Orchard of Council Bluffs, president of the organization, is out in appeal to the traveling public in general touching the need of greater care upon the highways. Some of the automobile insurance companies have had copies of this appeal printed and are circulating them among policyholders.

The recent admission of the Standard Surety & Casualty of New York City to North Dakota increases to 34 the number of states in which the company is now licensed.

Hobbs Suggests Better Service

Tells Commissioners Companies
Specialize on Compensation at
Expense of Public

WORST RISKS IGNORED

Special Representative in National Council
Makes Recommendations to
Solve "Serious Situation"

TORONTO, Sept. 18.—Failure of many companies to recognize the fact that an obligation rests upon them to provide a general service, particularly in compensation, has left the compensation business in a serious situation which has been bothering the National Council on Compensation Insurance, it was stated in the report delivered by Clarence W. Hobbs, special representative, at the National Convention of Insurance Commissioners here this week.

It is not right that carriers should take only the better risks and leave the worst ones to shift for themselves, Mr. Hobbs stated, and yet the insurance business is not a unit and carriers have not seen fit to let down the bars completely for humanitarian reasons. Some carriers solicit chiefly large risks, others confine writing to certain classes and still others operate only in sections where business is concentrated, so that a carrier which renders a general service finds no competition on less desirable risks but has to fight hard for the good business which is necessary as a leavening agent.

Suggests State Control

The report suggested that some day it may be found necessary by states to deny access to companies rendering anything but a general service. In a few states it is a statutory requirement to force carriers to accept any and all risks offered them, the report said. Minnesota recently enacted a statute which compels a pooling of undesirable risks and apportioning of liability among all compensation carriers in proportion to writings. In Minnesota and Wisconsin plans have been adopted for placing undesirable risks through the state rating organization.

Carriers dislike the pooling arrangement, claiming that although they are willing to bear their share of the load they should be permitted to attend to servicing and accident prevention work themselves, and thus to throw the work into a pool would merely mean that the business which needed such service most would be the least likely to get it.

Some of Plans in Use

Under the Minnesota and Wisconsin plan risks are specifically assigned to individual carriers. Massachusetts has a plan somewhat less definite in character, the report stated, but possibly sufficient for local needs. Company organizations have been successful in taking care of the situation in the District of Columbia and North Carolina, but in other states the problem has not been dealt with.

"It would seem that the time is come for the establishment of a method generally applicable for dealing with these risks," Mr. Hobbs reported. "I have requested the governing committee of the National Council to consider such action and recommend that the National Convention request the establishment of a plan by the council applicable to states under his jurisdiction."

"Rate cutting has from the beginning

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Harrison to Preside



JOHN M. HARRISON

To the deep regret of all who intend to be present at the casualty convention at White Sulphur Springs, W. G. Wilson of Cleveland, president of the National Association of Casualty & Surety Agents, will not be at hand to preside over the meeting of his organization and participate in the activities. Mrs. Wilson's illness and death caused a heavy strain. He is leaving on a trip abroad. John M. Harrison of New York City, vice-president of the organization, will take his place at White Sulphur.

Bar Raps Failure to Pass A. A. A. Bill in Michigan

DETROIT, Sept. 18.—Failure of the 1929 Michigan legislature to enact the so-called safety-responsibility measure such as was passed by New York, endorsed by the American Automobile Association and by many of the companies, was bitterly criticized here last week in the report of the legal aid committee of the Michigan Bar Association.

In its report relative to the evils growing out of financial irresponsibility of many motorists, the bar association committee said, in part:

"The extent of damage done by persons driving cars negligently and who are financially irresponsible, carrying no amount of liability insurance, is quite appalling. Plaintiffs who may likewise prove to be impecunious are unable to pay court costs or to conduct litigation such as personal injury cases require. * * * Relative to legislative remedy for this situation, the report further says:

"The main idea, that a person who cannot respond for damages must either carry insurance, file a bond, or protect the public in some way, or that, in default of these, he cannot operate a motor car or truck upon the highway after he has once caused damage, was regarded by most senators as a good law. A strong effort was made by senators holding that view to get such a bill passed but the effort was blocked by the refusal of the chairman of the senate committee on insurance to call a meeting of the committee for the purpose of further consideration of the subject."

Gorman on Executive Committee

Douglas Gorman, a director of the Maryland Casualty, has been elected a member of the executive committee, succeeding William J. Donnelly, who died recently.

The Loyal Protective of Boston has been licensed in Montana.

Contracts Off but Field for Bonds Is Still Large

BALTIMORE, Sept. 18.—Statistics indicate that there has been a considerable falling off in the total of contracts awarded between Jan. 1 and Aug. 1, 1929, as compared with the same period in the year 1928, the difference being approximately \$345,000 in 37 eastern states, according to Charles C. Conlon, vice-president in charge of the contract department of the United States Fidelity & Guaranty.

"On the face of this it would seem that there should be a falling off in contract bond premiums; but an analysis of the figures and a knowledge of conditions makes us believe that despite this apparent decrease in building activities, there is room for a very material increase in contract bond premiums," he declared.

In the 37 eastern states mentioned, during the first seven months of this year, contracts were awarded for commercial buildings totaling \$580,000,000; for industrial buildings, \$460,000,000; for residential buildings, \$1,302,000,000. Those three items constitute a class of buildings on which there are comparatively few corporate surety bonds required.

"Just as some years ago it was neces-

sary to sell to the public the idea of fire insurance and life insurance, and as agents are still selling accident and health, automobile lines and burglary insurance, so agents should sell to owners of projected buildings the idea of contract bonds," Mr. Conlon said.

Enormous Opportunity Exists

"There is a tremendous field and an enormous opportunity for business in this class of construction. Just let any agent sit down, go over his books and see how many contract bonds he has written covering private contracts in the last five years. Compare that total with the total of the bonds that he has written on public work and then ask himself the question—what am I doing to increase the volume of business in my territory?"

"We have seen many cases in which owners have paid their contractors, and then have been required to pay off liens filed by material men who were not paid by the contractor. Such a procedure makes the building cost just that much more, and the owner pays twice for his material, but this can be obviated by the requirement of corporate surety bonds. The field is there waiting only to be developed."

Central West Casualty Has Entered Two Coast States

The Central West Casualty of Detroit announces its admission to California and Washington. Agency arrangements have already been completed. In California its general agent will be the American & Security Insurance Corporation, 376 Pine street, San Francisco. The American & Security Insurance Corporation will be in charge of Robert Carlson, vice-president and general manager of the Pacific National Fire. M. B. Waterbury, who has been connected with the underwriting department of the branch office of the Standard Accident in San Francisco for the past seven years, is to be in charge of underwriting matters for the American & Security Insurance Corporation.

Bell Gets Western Washington

Will J. Bell, Inc., of Seattle, has been appointed agent for western Washington. Mr. Bell's territory is that portion of Washington west of the Columbia river. There is a possibility that an agency arrangement will be made with a leading agent in Spokane for eastern Washington. It is also possible that the Central West Casualty will apply for admission to other western states, the management having in mind at this time the possible entrance of the company to Oregon and Idaho.

Mutual People to Meet

The annual meeting of the National Association of Mutual Casualty Companies, of which S. Bruce Black of the Liberty Mutual is president, and the National Association of Automotive Mutual Companies, of which C. E. Hodges, Jr., of the American Mutual of Boston is president, will be held next week in Quebec. Secretary J. M. Eaton and General Manager A. V. Gruhn of the two organizations are at the insurance commissioners' meeting this week.

Casualty Notes

The Public Indemnity of Newark has been licensed in Kentucky. The General Casualty & Surety of Detroit and the Northwest Casualty of Seattle have been admitted to Colorado.

Wendling Takes St. Louis Post for American Bonding

BALTIMORE, Sept. 18.—The American Bonding announces the appointment of George R. Wendling as resident vice-president in St. Louis. For the last year or so Mr. Wendling has been manager of the St. Louis branch of the National Surety. Prior to that connection he was for many years co-manager of the St. Louis branch of the Fidelity & Deposit with Emmett M. Myers, present resident vice-president of the F. & D. in that city.

Mr. Wendling is one of the best-known and most experienced surety men in St. Louis. He has been in the business since 1910, when he first joined the F. & D. After four years with the F. & D., during which time he served in various capacities in the home office and in the field, he was appointed branch manager at St. Louis, a position which he occupied until February, 1928, when he resigned to become manager of the St. Louis branch of the National Surety.

Four Policyholders Resist Federal Auto Assessments

ST. LOUIS, Sept. 18.—Four policyholders of the defunct Federal Automobile Insurance Association of Indianapolis, a cut-rate reciprocal that went to the wall several months ago, have filed intervening petitions in circuit court here objecting to a decree by Circuit Judge Sale which directed Missouri policyholders to pay extra assessments dating back for four years, equaling their annual premiums for those years.

The dissenting policyholders are Emil J. Fischer, Julius Beinecke, Frank C. Brown and A. A. King, all of St. Louis. They deny that they were subscribers to the defunct reciprocal and that they can be held liable for its debts.

The order issued by Judge Sale was made on application of R. H. Abeken, Missouri receiver for the Federal Automobile. He acted under the original receivership now pending in the Indianapolis courts.

Every wide-awake local agent should read his personal copy of THE NATIONAL UNDERWRITER.

Companies Still Shy on Bus Liability Offerings

FEAR POTENTIAL LIABILITY

Officials Cautious in Accepting Risks—
Restrict Writing to Offerings
of Own Agents

NEW YORK, Sept. 18.—Improved highway construction in virtually all sections of the country, a policy that promises to continue indefinitely, has induced the rapid formation of interstate as well as municipal motor bus lines. Some of the stock offices strictly prohibit the acceptance of bus personal liability and property damage risks, while those writing them do so very guardedly, and only for their own agents. The volume of such acceptances, moreover, is governed by the quantity of the more desirable lines had from local representatives, the attitude of the carriers in such connection being the same as that with respect to workmen's compensation business.

While the actual loss experience on

bus business thus far has not been excessive, the potential liability is recognized and it is this that make company officials cautious in their consideration of lines. During the life of the Associated Companies bus business was written through that organization. Since its dissolution, some months ago, four former members, the Hartford Accident, Maryland Casualty, Standard Accident and United States Casualty, continue to handle individually such lines as they formerly placed with the Associated Companies, and, of course, what additional business they may accept. Net line limits, however, are sharply drawn, all excess being taken care of through reinsurance connections.

Several mutuals and reciprocals are bidding for bus business, and so far as the stock companies are concerned they are welcome to all they can get of it.

CONTRACT BOND HAD ADDED OBLIGATIONS

Suit by appellee lumber company against Quay, and appellant to recover upon an account for construction material sold and delivered to Quay upon the written obligation of appellant that it would pay appellee, the purchase price of the material. Held that the bond

upon which appellee's suit is based contains many obligations in addition to those required by the statute. The bond required by the statute is for protection only of those who furnish material to the contractor for a public work. This bond also protects those who furnish material to sub-contractors. The statutory bond only required the surety to pay in event of default by the contractor. This bond contains a primary obligation on part of the surety to pay for the material furnished by appellee, and other provisions not required in the statutory bond. When the bond given by the contractor shows upon its face that its makers only intended to comply with the statute, the bond is statutory and no common law liability can be predicated thereon. This is not the character of the bond upon which appellee's suit is based. It seems to the court that the limitation of one year fixed by the statute created by the statute, and cannot be invoked as a defense to a suit brought to enforce a liability upon a lawful contract not inhibited by any statute, and which adds to the obligations of the statutory bond required of contractors for public work. Indemnity Ins. Co. of North America vs. South Texas Lumber Co. et al., Ct. of Civil App., Texas 1st Dist.

Veteran Is Dead



JOHN A. MORRISON

John A. Morrison, veteran Chicago insurance man, first a casualty producer and later general agent in Chicago, and then a large life producer, died last week. In his later years he spent a great deal of time in New York writing business. He is remembered particularly for his regular attendance at meetings of the National Convention of Insurance Commissioners. The funeral services were held at Rosehill chapel, Chicago, last Friday.

He received his early training in casualty in the office of Hood & Penny of Minneapolis, general agents of the Ocean Accident, and at the same time studied law and was admitted to the bar. At a young age he was appointed the Ocean's general agent in Milwaukee, but he lost his wife and child there and left the scene to engage in the casualty business in the west. Mr. Morrison was called to Chicago in 1905 as manager of the casualty department of Moore, Case, Lyman & Hubbard, general agents of the Standard Accident.

He was instrumental in forming the Casualty Underwriters Association of Chicago and in 1912 he formed a partnership with William T. Blew as Morrison & Blew, securing the general agency of the Massachusetts Bonding for casualty in Chicago.

Mr. Morrison in the year following the Emmett ruling on workmen's compensation acquisition costs, was active in forming the National Association of Casualty & Surety Agents and was secretary for several years.

Then he developed interest in life insurance and became general agent of the Aetna Life in Chicago. He was a very successful personal producer in addition to his executive duties.

Vandal Damages Much Glass

LINCOLN, NEB., Sept. 18.—Plate glass insurance companies face serious losses through the activities of an unknown person who used a diamond glass cutter on a large number of display windows in the business section of the city, his depredations covering over three blocks on both sides of the street. The work was apparently done at night, as glass was cut on windows of places that closed at midnight. No clue to his identity, except the two initials "L. G." on one window, has been found. None of the glass was cut clear through, but it was so weakened that a number of panes will have to be replaced. The windows of the Sears, Roebuck & Co. new retail store building were the worst damaged.

Do you really understand fully all the terms of an accident and health contract? Our sales training course will supply this understanding. Write for free booklet, "Six Honest Serving Men." The National Underwriter Company, 420 East Fourth street, Cincinnati, O.

LITTLE STORIES from the FILES of a GREAT INSURANCE INSTITUTION



THE Agent watched the proceedings of the School Board with disappointment as it became apparent that the members would accept personal surety on the contractor who had been awarded the school construction job, thereby saving an \$8,000 premium on a Corporate Surety Bond.

The Agent wanted that Bond—he had worked hard for it. Apparently it was slipping from his grasp; just one hope remained. He headed for a telephone. Five minutes later a surety official in the Home Offices had his story and was promising immediate action. A few moments of pondering and the surety executive called in his secretary. He dictated—a lengthy letter that presented concisely, logically and convincingly the advantages of Corporate Surety

Bonds. A copy went to each member of the School Board by special delivery. And at the next meeting of the Board it was unanimously decided that Corporate Surety Bond should be required of the contractor. The Agent wrote the Bond, collected the \$8,000 premium, and triumphantly deposited a fat commission check to his account.

Just another example of the practical, dollars-and-cents-producing service, that is at the constant command of Continental field men. Every representative of these Companies enjoys the complete cooperation of a highly trained staff of executives and a Home Office organization of nearly one thousand competent employees who recognize service to agents to be the first rule for company success.



CONTINENTAL CASUALTY COMPANY
CONTINENTAL ASSURANCE COMPANY
CHICAGO ILLINOIS

ACCIDENT AND HEALTH FIELD

DEPARTMENT WARNS PUBLIC

Michigan Commissioner's Ire Aroused by Mail Order Tactics of Imperial Accident, Chicago

LANSING, MICH., Sept. 18.—Activities of the Imperial Accident of Chicago in soliciting contributions from Michigan physicians and lawyers in return for appointments as district legal and medical advisers has roused the Michigan department's ire with the result that a warning was broadcast to professional men.

Department officials believe that the carrier, a newly launched health and accident assessment association, is seeking to build up surplus required under Illinois law through resort to this "questionable sale" of appointments. As the association could scarcely gain admission to Michigan for a number of reasons, one being similarity of name to that of the Imperial Assurance, an authorized company, the department told professional men they could scarcely hope for much revenue should they affiliate with the carrier and in addition they would face the prospect of possible prosecution as representatives of an unauthorized organization.

The concern, in its circular letters, informs doctors or lawyers that they have been selected, because of their high professional standing, to become district medical or legal directors. They are informed that 10 percent of premium revenues from their districts will be set aside as their compensation, shared equally between the selected doctor and lawyer in each territory. In order that they become financially interested in the organization for which they are working and be made members of an "advisory board" having considerable to do with management of the carrier, it is required that they remit \$10 each with their applications for district directorships.

Information was obtained from Leo H. Lowe, director of trade and commerce for Illinois, that there was such a carrier and that it filed certificate of organization July 10.

A detailed explanatory booklet is enclosed. After dwelling at length on the company's strength, stability and experience, talent, and conservatism of its management, it is added that "the company has reinsurance treaties with the largest reinsurance company for all excess risks so that our claims are backed by over \$7,000,000 in assets."

Concerned Over Aviation Losses

SIoux CITY, IA., Sept. 18.—Inquiry made at the home office of a large accident company by a Sioux City agent, concerning broadening the present coverage for aviation accidents, produced the following reply: "The question of aviation is giving all companies writing accident insurance a good deal of cause for concern. Because of the increased interest in aviation, there have been more business men injured or killed in the last several months than ever before. The loss ratio on accident business steadily increases so that the records of the various companies show that they are losing money on accident business rather than making a profit. Whether eventually an additional premium will be charged for aviation coverage, we are not prepared to say."

Ticket Policies Authorized

A law has been passed in Wisconsin providing that airplane and bus ticket insurance policies may now be issued under the same arrangement as railroad health and accident policies. The railroad policies do not include all the provisions of the regular insurance policy, and this privilege has been extended to permit bus companies and airplane concerns to issue policies containing these general omissions.

MAY FORM NATIONAL GROUP

Detroit Accident Managers' Club to Consider Extension at Annual Meeting Next Month

DETROIT, Sept. 18.—It was fitting, appropriate and prophetic that the Accident Managers Club of Detroit should have been assigned the "Founder's Room" of the Book-Cadillac hotel as a gathering place for those of the attendants at the convention last week of the National Association of Insurance Agents who are interested or engaged in the accident insurance division.

Numbers of accident men dropped in to the club's convention headquarters during the week. The charter list includes names of active accident men from all parts of the country.

The matter of organization of a national body will be taken up at the annual meeting of the Detroit club next month and the charter list will remain open until then. Those desiring to enroll may communicate with John P.

Collins, superintendent of agencies, National Casualty, Majestic building, Detroit. Only those engaged in the accident division in an executive capacity such as general agent, field man or official are eligible.

UNUSUAL ACCIDENT CLAIMS

Vice-President Gregory of Reliance Life Cites Ludicrous Claims Which Companies Have Paid

Some idea of why many claim men have gray hair may be obtained from the unusual accidents cited by L. P. Gregory, vice-president of the Reliance Life of Pittsburgh in charge of the accident and health department, given below. These were actual claims presented to the Reliance and other companies.

"Rubbed self vigorously with towel, drying back after taking bath; dislocated neck."

"Scratched heel of left foot with toe nail of right while sleeping; blood poison."

"While talking with friend in hallway of building, runaway horse came in and stepped on my foot."

"Found thief in store, kicked him out

and broke bones of foot."

Chased chicken through barbed wire fence; chicken got through but claimant got hung up in the fence.

Riding on street car; workman threw shovelful of hot asphalt through window into lap.

Reading electric meter when dog came up behind; bit.

Taking off shoe; caught finger on heel, dislocated finger.

Eating lunch; bit tongue.

Killing rat; strained muscles of leg.

Walking out to church; stepped on fly paper; fell.

Friends put carbolic acid on bed sheets for joke.

Dropped pencil; put knees together to catch it; ran point into leg.

Jumped across mud puddle while wearing slippers; slipper came off; stepped on nail.

Ate lunch on scaffold; scaffold broke.

Sitting on porch; struck by muzzle of racing dog.

AFFAIRS OF OHIO LIFE AND CASUALTY CARRIERS PROBED

The affairs of the McKinley Mutual Life, Marion, O., the McKinley Life Insurance Agency Company, Columbus, and the Imperial Casualty, Columbus,

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and the activities of Henry P. Angell of Columbus, who promoted them, were inquired into at a hearing before Superintendent Younger Saturday. Complaints had been filed against Mr. Angell, charging him with rebating and unethical insurance practices.

At the opening of the hearing Mr. Angell offered to surrender his license as an agent for the Imperial Casualty and at the same time made application for a license as an agent of another company. No action was taken.

On Mr. Angell's application, a receiver was appointed a few days ago for the Imperial Casualty. Differences, it was announced, had arisen between Edward A. Schamb, president and treasurer of the company, and Mr. Angell, who was its secretary. All the books of the Imperial Casualty have been turned over to the Ohio insurance department.

The hearing was continued to Sept. 27.

Companies Get Adverse Ruling

Decision of the New York supreme court in the case of Violet Greenall against the New Amsterdam Casualty under an accident policy establishes a new rule of law in New York which requires companies hereafter to establish the fact that all policy provisions have not been complied with, whereas heretofore the burden of proving that they

have been observed has been upon the insured. The case revolves around interpretation of the provision relating to filing proofs of loss. Attorney for the New Amsterdam claimed that the insured had not filed proof of loss as required by the policy and that this fact barred any action against the company. Justice Collins ordered the company to substantiate this defense by submitting proof in advance of trial and to explain what it meant as to the proof of loss requirements on the policy which it claimed were ignored. Frederick Mellor, New Amsterdam counsel, cited in opposing the move the basic principle that a party in a case should not be required to give in advance of trial details of evidence on which it had relied to prove its allegations. The case is particularly important because hereafter in New York it is believed in cases of this sort companies must disclose all evidence they have to prove that proof of loss was not properly filed before insureds or beneficiaries are called upon to establish compliance with policy conditions, a fact which might radically change the character of insureds' testimony on this point.

Chicago Club Postpones Opening

The first fall luncheon meeting of the Accident & Health Managers Club of Chicago, originally set for Sept. 16, has been postponed for a week on account of the absence of so many members from the city and will be held at noon, Sept. 23, at the Palmer House.

FIDELITY AND SURETY NEWS

FINE POINT IS INVOLVED

New York Bank Loss Totalling \$500,000 Is Expected to Result in Long Litigation

Litigation which is bound to be of widespread interest in the surety business is expected surely to follow the \$500,000 New York bank loss to which C. D. Waggoner, president Bank of Telluride, Colo., now in the hands of the state banking department, confessed. It now appears that the Chase National Bank of New York will not suffer loss, as it merely carried out instructions of banks which transferred funds to it. The Hanover Bank is also believed to be in a practically impregnable position, as it merely canceled an outstanding loan on funds in certified form from the Chase National and surrendered its collateral therewith.

But four other banks which accepted coded telegrams from Colorado instructing them to deposit funds in the Chase National almost surely will suffer loss, and coincidentally several surety companies also will lose money under blanket bonds.

However, surety executives point out that transactions of this unusual character and size are not covered specifically under any existing form of surety bonds. Another loss slightly under \$500,000 is being investigated in New York which is covered under surety bonds. This case involves irregular transfer of funds between two accounts in the bank by reason of forgery.

While the bankers' blanket bond may be decided not to cover the bank losses, it is believed much more likely that the regular forgery bonds carried by all banks will be liable, as the coded telegrams used by banks in authorizing transfer of money are in effect checks, and in the present case were admittedly forged. The banker Waggoner confessed that he connived to have the telegrams sent to New York professedly from several Denver correspondent banks of the New York institutions. A provision of banks' forgery bonds is that they shall cover all written instruments which authorize the payment of funds. While the coded telegrams are not written in the sense that a personally executed check is, it is believed courts might easily come to the conclusion that they cover the requirements in forgery bonds.

MACFARLAND IS SUPERVISOR

Bonding Man With 22 Years' Experience Engaged by Century Indemnity for Home Office

HARTFORD, Sept. 18.—James C. MacFarland has been appointed supervisor of the bond department of the Century Indemnity, with supervision over depository and public official business at the home office. Mr. MacFarland's underwriting career began in 1907 with the Title Guaranty & Surety of Scranton, as renewal clerk on public official bonds.

Subsequently he became assistant superintendent of the company's public official bond department. In 1919 he joined the home office staff of the Aetna Casualty & Surety as assistant superintendent of the public official bond division, continuing with the organization until 1924, when he retired to associate with the London & Lancashire Indemnity as underwriter, a post he will shortly relinquish to enter the service of the Century Indemnity.

WOULD MAKE INVESTIGATION

R. W. Thompson of Dallas Would Not Have Application and Investigation On Bond Waived

R. W. Thompson of Dallas in speaking before the National Association of Insurance Agents at Detroit declared that in the competition for business, agents make a mistake if they encourage companies to agree to a waiver of the application for fidelity bonds and the investigation of the applicant. Mr. Thompson stated that in his opinion a bond holder secures added protection and service through these mediums that are now frequently waived. He said that in soliciting business of this kind he makes a big point of the fact that an investigation is made of the applicant so that the employer will know that the company is willing to put its seal of approval on an employee if it executes a bond.

GOSSAGE TO NEW ORLEANS OFFICE OF N. Y. INDEMNITY

Clyde V. Gossage, manager of fidelity and surety production of the New York

Indemnity, has been transferred from the New York office to the new home office in New Orleans. Mr. Gossage will give his personal attention to western and southern agents of the New York Indemnity who report to the New Orleans office. The New York Indemnity, having recently been made a member of the Insurance Securities group of companies, will have its home office in New Orleans, the headquarters of the group.

Mr. Gossage is a recognized authority on forgery bond business and is in demand as a speaker.

Held for Road Fund Deposit

The Missouri supreme court has upheld a judgment of the Dunklin county circuit court which ruled that Everett L. Johnson, treasurer of the Bragg city special road district in Pemiscot county is liable under his bond for \$14,760 of

district funds deposited in the Bragg City Bank, which failed May 1, 1926. The Independence Indemnity wrote the bond.

The supreme court held that while the road district had selected the depository for the funds, this did not relieve the treasurer from his liability for the safekeeping of the district's money. The district had no security from the bank for the deposit.

Surety Series Continues

The series of surety round table of the Surety Underwriters Association of Chicago, which ended Aug. 31, will be continued to Dec. 31, through the courtesy of President Clarence Rich of the Midland Club. President Rich requested that granting of guest cards be confined to members of the association who have in the past shown interest by attendance, according to Elmer C. Anderson, secretary.

WITH BURGLARY UNDERWRITERS

MANY OPPORTUNITIES SEEN

Agents in Almost All Points Can Find Prospects That Need Burglary Insurance

Agents frequently complain, "I can't sell burglary insurance here in this town. Everybody leaves their doors open all day and wouldn't think of locking them at night. We haven't had a burglary around here since I can remember," says the "Hartford Agent."

Of course, it continues, it's not much use to attempt to sell an electric refrigerator to Eskimos, but really the situation isn't quite as bad as that when one comes to figure it out. In the first place, a residence burglary policy not only covers the depredations of a burglar, but sneakthievery and robbery by servants and part-time employees. It is a hazard that is just as great in a small town as in a big city. Furthermore, every small town has its full quota of office safes. The mere fact that a man has a safe indicates that he has something of more or less value to keep in it. That makes him a prospect for a safe burglary policy. Even if a man doesn't keep much in his safe, the burglars don't know it and one of the greatest talking points for a safe burglary policy is that it pays for damage done the safe and the policyholder's property as well as for the currency, securities or merchandise that are stolen.

For example, here is the cost of one safe robbery:

Stolen currency	\$ 975.00
Stolen securities	1500.00
Stolen merchandise	70.00
Damage to safe	130.00
Damage to desk	50.00
Damage to typewriter	107.00
Repairs to interior (painting, plumbing, etc.)	128.00
Total	\$2960.00

There is a wonderful small-town opportunity in selling safe burglary policies up and down Main St. to doctors, dentists, lawyers, merchants and others.

And above all, don't forget bank burglary and robbery insurance covers a more hazardous risk in a small town than a big city.

Whitaker With Union Indemnity

Sanford Whitaker of the Guardian Casualty has resigned his post in charge of the burglary and engineering department in the New York branch to go with the Union Indemnity and affiliated companies, the Northwestern Casualty & Surety and New York Indemnity, in connection with administering and underwriting burglary business. Mr. Whitaker formerly was with the National Bureau of Casualty & Surety Underwriters in the burglary, plate glass and engineering departments and has had wide experience in that field. In his new connection he will be principally engaged in underwriting out of town burglary business but will devote some time to assist-

ing New York agents and brokers in handling out of town business and renewals.

Many Minnesota Bank Losses

ST. PAUL, Sept. 18.—A flurry in bank robberies in Minnesota in the last few weeks has caused insurance companies losses running far into the thousands.

There have been at least a dozen hold-ups, the losses ranging from \$1,000 up to \$12,000. In two or three cases the robbers have been caught but the others have not been apprehended.

According to Charles D. Brown, agent of the Minnesota Bankers Association, most of these robberies have been perpetrated by a well organized band of criminals centered in the Twin Cities. Using speedy motor cars, they go to the smaller cities and towns, stage the robbery and then rush back to St. Paul or Minneapolis, where they are able to hide.

PERSONALS

A veteran figure in the insurance world, **Sydney H. Pool**, resident manager of the Philadelphia branch office of the Fidelity & Casualty, died last week after a period of ill health of almost a year. Mr. Pool was born in Rochester, N. Y., in 1861 and after completing his education in the local schools, started in business as an architect. For a time he was also connected with the banking business and later was associated with his father in a Rochester milling concern. In 1888, Mr. Pool joined the Fidelity & Casualty's Rochester office, and a month afterward opened the Troy office, acting as general agent for Maine, New Hampshire and Vermont. When it was decided to open a branch in Philadelphia in 1891, Mr. Pool was transferred there as resident manager, the position that he held until his death.

At the annual convention of the Glens Falls Indemnity **G. A. Mavon** of Chicago was awarded a silver loving cup and aluminum cooking set as a result of a popularity contest in which he was given the title of "most popular agent." All the agents attending the convention participated in the balloting.

L. Edmund Zacher, vice-president and treasurer of the Travelers, and Mrs. Zacher sailed Saturday on the "Cedric" from New York for a European trip.

J. W. Scherr and **W. G. Alpaugh**, president and vice-president respectively of the Inter-Ocean Casualty, left Sept. 14 for a fishing and hunting trip in Wisconsin. They were accompanied by C. F. Harroll, manager for southern Ohio; E. A. Johnson, state manager, Illinois; I. S. Benerd, state manager, California; J. E. Payton, Louisville, and F. C. Crittenden of the National Life, U. S. A., Chicago.

New Companies Create Problems

(CONTINUED FROM PAGE 4)

That condition is especially bad at the present time in many of the larger cities where unreasonable commissions are paid. The business is not owned by the agents but by the solicitors and brokers who get the principal part of the commission while the agent does the work. It makes possible a living for an extremely ordinary man who knows nothing about insurance except to solicit and bring the business into the office where it is taken care of by the agent.

Agents Not Accepting Bait

High commissions increase the rebating evil, said Mr. Livingston. He quoted the surety business as an example. But the real danger in high commissions, he said, is that it makes the cost of doing business so great to companies that other kinds of insurance carriers are able to write the business at a much lower cost.

The bait that is being thrown out by many companies, said Mr. Livingston, by offering large commissions is not being accepted by the agency body as a whole, because an agent, if he can look into the future, knows that there can be only one end to such high commissions, and that is failure of such companies offering them with loss to himself and to his assured. "Personally," he said, "I look pessimistically on the future of the insurance companies which are not well grounded by years of experience and backed by a loyal agency force."

Few Do Most Business

Mr. Livingston raised the question of whether the companies are fair to their established agents and the public in the appointment of agents. He said that an investigation in Michigan revealed the fact that 15 percent of the agents of any company operating in the state took 85

to 90 percent of the total premiums the company received, and that figures of other states were about the same. He does not feel the companies are fair to the agents in the appointment of new agents. Although some companies demand a high standard from the agents they appoint, the majority have no regard and appoint men who are a menace to the established agents. If companies, he said, would take the money they spend on the appointment of new agents and spend it upon training agents they now have who are in the 85 percent class, they could secure a much greater volume of business of a much better class.

Setting Standards Approved

Mr. Livingston said he did not believe the agents wanted to be given a monopoly but they do object to unqualified competitors. He said he thought setting a standard for insurance agents that will compel the companies to qualify their agents before license is granted is a big step forward. In this way only the best will be appointed as the companies are not going to risk time and money on a man who won't have a chance to pass the examination.

In concluding, Mr. Livingston said the American agency system is on a sound foundation, and if it will adapt itself to the changes in economic conditions, if it will cooperate with the companies in keeping commissions on a fair basis and keep in closer touch with the state insurance departments and commissioners in their efforts to secure a higher standard in the licensing of agents, it will last for another hundred years.

An interesting presentation of **Owners Protective (Contingent) Public Liability**, its contracts and coverage is given in The F. C. & S. Bulletin. You can not afford to let inadequate knowledge of this subject reduce your business possibilities. Write The National Underwriter Company, 420 East 4th street, Cincinnati, O., for free booklet describing the service.

Vital Subjects at Convention

(CONTINUED FROM PAGE 5)

it. There is a certain amount of free insurance but it was held that the line was not of so great importance as to require legislation to correct it.

Liberalizing the Law

Some of the provinces allow companies to write fire, tornado and sprinkler leakage insurance on mercantile and manufacturing risks under the same or separate policies. It was recommended that this be extended to all classes. The companies writing one class, possessing limited charter powers objected saying they would often lose in competition.

R. L. Foster said there is much confusion as to what is meant by "electrical appliances" in the fire policy. Some companies, for example, pay for a radio damaged by lightning while others will not.

Over-Insurance Legislation

At Monday's session the Alberta act placing a penalty on the assured, agent or company that knowingly over-insures property was discussed. Superintendent Brace of that province said it had proved highly successful. It had served to reduce the moral hazard especially on farm and village property. It was the consensus of opinion that more time should be given the experiment before other provinces take it up. Some company men said at times it would be difficult to ascertain insurable values especially in case of stocks. A company might become involved in spite of precautions.

Superintendent R. Leighton Foster of Ontario presented a very intelligent report on automobile insurance. The question arose as to whether a claimant should have direct right of action against the company in an automobile case. The trend is in that direction in

the United States. Attorney V. Evan Gray said there is no such principle in Canadian law. He felt there should not be a departure from the present practice without thorough consideration. If the law be changed it would probably affect the cost of insurance. At present in case of questionable claims, a company can often build its defense on false answers in the application. That of course would be eliminated under other conditions.

No province has enacted a compulsory automobile law although bills have been introduced to that end. The superintendents were urged to inform themselves on the subject in order to give intelligent advice. Attorney Gray said it was more important for each province to have its automobile legislation conform to that of states adjoining in the U. S. rather than have uniform laws for the Dominion itself.

Question of Indemnity

It was stated there was difference of opinion in the interpretation of the act relating to money value of time in accident and health policies. The question arises where a person has more than one policy. In case of one policy, the holder can not collect more than the value of his time. If he has more than one, is he entitled to regard his collectible benefits as a whole or is each policy to be considered apart from any other? Attorney Gray said that undoubtedly the law related to maximum benefits whether the assured had one or more policies.

Whatever interpretation be given, the assured will always have the advantage. Mr. Gray said the companies had experienced no difficulty in adjusting claims and until they do he advised that no step be taken to amend the law.

After brief remarks by President A. E. Fisher, Saskatchewan, the conference spent Friday morning hearing committee reports.

R. Leighton Foster, Ontario, reported as secretary, briefly reviewing past con-



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ferences. In reviewing legislation he pointed out that every province had during the past year adopted some new measure of insurance, but that the recommendations of the convention had closely been followed. Mr. Foster also referred to joint inspections, uniform annual statement blanks, jurisdiction, unlicensed insurance and the printing of conference proceedings.

Reports Submitted

The general insurance reports were as follows: Uniform annual statement blanks, by W. K. C. Campbell, Ontario department, who reviewed progress and made recommendations as to revision of blanks; credit evil and free insurance, R. Leighton Foster, who said companies regard the situation as virtually hopeless; uniform definitions, H. G. Garrett; limitation of risk and rebating involving consideration of reports at earlier conferences; fire insurance legislation, A. E. Fisher, advising a change in respect to windstorm and tornado coverage; automobile insurance legislation, R. Leighton Foster; licensing of insurance adjusters, H. G. Garrett; over-insurance of fire risks and accident insurance, H. G. Garrett and R. Leighton Foster.

Postpone Disability Action

Legislation affecting the disability benefit in life contracts was opposed for the time being by the executive committee of the Canadian association, which concurred in the opinion of the Life Officers' Association that the matter should be postponed for one year. Recommendation of the committee on life insurance reserve standards was adopted, so there will be no change in the provincial standard for at least a year.

It was decided not to appoint a special committee to consider the proposed draft bill regarding licensing of life agents as it was believed that a committee of the whole conference should deal with the subject and no sub-committee could express an average view.

Adopt Other Reports

The report of the committee on fire insurance was adopted and laws of Ontario, Saskatchewan and Alberta will be awarded with respect to tornado and windstorm in the case of risks other than manufacturing and mercantile.

Superintendents Heath and Dugal were appointed a special committee to consider credit evil and report at the next conference, and Superintendents Garrett and Bruce were named a special committee to consider liability of insurers to third party claimants in auto accident litigation.

Large Meeting on at Toronto

(CONTINUED FROM PAGE 3)

of Saskatchewan, are the only survivors of that day.

Dunham Touches on History

Col. H. P. Dunham of Connecticut, president of the American organization, gave a history of the body from the time the first conference was called in 1871 by Superintendent George W. Miller of New York, attended by 19 states. Colonel Dunham advocated an insurance tax on net premiums, with reinsurance subtracted. He said the time had come to modernize examination methods, for the checking up of minutia is a waste of effort.

The important governing features of a company should be investigated, he said. The average tenure of office of an American superintendent is four years. Arthur E. Fisher, president of the Canadian association, gave his address, saying that up to date most of the time had been employed in standardizing insurance contracts, especially fire, automobile, accident and health. A model life act had been constructed, uniform fraternal legislation had been passed, laws gov-

erning reciprocals had been put into effect and hail insurance laws established.

Joint Session Closes

At this point Mr. McConkey closed the joint session, Colonel Dunham took charge and Secretary Joseph Button, the guiding star of the convention, read the agenda.

The Canadian commissioners met Friday, Saturday and Monday. They were entertained Saturday noon at the Yoyal Yacht club by some of the Canadian companies.

Vice-President Leighton McCarthy, Canada Life, as a social curtain raiser, gave a dinner to all the commissioners present and a few special guests at the York club Monday evening. Short talks were made by Colonel Dunham and J. V. Barry. The officials of Toronto companies are most hospitable and have spared no time or expense in arranging for the comfort and enjoyment of the visitors.

The Equitable Life of New York had an agency convention in the hotel Monday and Tuesday, with 850 present. That clogged up the hotel machinery for the nonce but eventually all were accommodated.

Have Enjoyable Trip

The trip given Tuesday afternoon by the Independent Order of Foresters was especially pleasing. Down the lake half way to Hamilton is the Foresters' orphanage at Oakville. The party was entertained there by Chief Ranger Hand and the executive council.

There is a larger attendance of company officials than ordinarily. It is predicted that there will be no change in the official personnel at the annual election Friday and that Colonel Dunham again will be chosen president.

Entertainment Features

The National Life of Toronto gave a luncheon at its office Tuesday noon. The Independent Order of Foresters then took the entire company on a ride about the city, stopping at the I. O. F. Home for Children at Oakdale. A bridge party was held in the evening and then at midnight the annual Pamunkey powwow was the center of attraction. Following the afternoon session Wednesday, Lieut. Gov. W. D. Ross gave a reception at the government house. At noon the ladies were entertained at a bridge luncheon at the Royal Yacht Club. Wednesday evening the banquet was the feature with General Manager T. G. McConkey of the Canada Life presiding. Prime Minister G. Howard Ferguson of Ontario and Commissioner H. P. Dunham of Connecticut were the speakers. The ball followed the banquet.

Following the business session Thursday morning the boat trip to Niagara Falls was scheduled with dinner at the refectory, the prime minister of Ontario being the host.

John E. Sullivan of New Hampshire discussed automobile merit rating Wednesday morning with C. C. Wy-song of Indiana leading the discussion.

Deputy Insurance Superintendent Henry D. Appleton of New York is not at the insurance commissioners convention this year. He has been connected with the department since 1882. He has missed but two meetings of the commissioners in 40 years.

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Hobbs Suggests Better Service

(CONTINUED FROM PAGE 43)

been practiced in one form or another in workmen's compensation insurance. Some of the policies involved are very large and the temptation to bid for them is great. In the unregulated states rate cutting is still freely practiced, as is evidenced by their loss ratios. Rate regulatory laws curb the practice to a degree, and it has been assumed that in the regulated states while the practice may exist it plays relatively little part. During the past few months, however, several cases have come to light.

"There is also pending in one state an investigation of the operations of a company. One of its general agents has apparently placed 30 percent of his policies without referring the same to the rating organization which was charged with the duty of stamping policies. Of this 30 percent a number were written at rates differing from the tariff rates.

Regulation Not Cure-All

"Thus it will be seen that there is a basis of real evidence to establish the existence of a practice which is often suspected but difficult to prove. Rate cutting is to a degree cured by rate regulation, but only to a degree. It is still possible for a company to issue a policy differing from the application submitted for stamping, or to cut the heart out of the policy by an endorsement not submitted to the bureau.

"It is still possible to execute side agreements modifying the policy terms, and it is eminently possible to achieve a reduction of premium through the payroll audit. These practices exist as is evidenced by the above, and suspicion is more or less rife that they exist in many cases which escape detection. It is fairly obvious that both the assured and the company have an interest in keeping the matter between themselves,

and it is probably impossible to police the business so closely as to prevent such practices absolutely."

Suggest Investigations

He suggested as a "panacea" for the practice that some investigation be made of rating laws, as some laws are not definitely penal and a breach entails no more serious result than voiding the policy, and also that some investigation to be made of company practices and rate cutting. It was suggested that the companies' method of issuing policies be gone into, and it even was suggested that investigation go further to include files on larger policies where rate cutting is most apt to exist.

It was pointed that large risks are especially subject to rate cutting due to the fact that if written at manual rate a huge profit margin is left for company and agent. On one case cited in which rate cutting was practiced, the premium at manual rate would have been close to \$500,000, of which 40 percent, or \$200,000, would represent expense of loading; \$85,000 acquisition costs, \$15,000 taxes and fees, \$100,000 home office expense, claim settlement, auditing and engineering. The risk was able to find a company and agent who would carry the contract on an allowance of \$18,000 for agent's commission and \$45,200 for other expense item.

"The 17½ percent allowed for acquisition costs and commission paid in accordance with this scale is for the smaller policies not at all redundant; possibly smaller than is consistent with a fair recompense. But an acquisition cost amounting to \$85,000 on a single piece of business is fantastic," Mr. Hobbs reported.

GARNISHMENT ISSUE ENTERS INTO DECISION

Whether a certain contract of insurance provided indemnity against liability or against loss resulting from lia-

bility. When insurer was subject to a garnishment judgment. In an action brought to recover damages for personal injuries which resulted from an automobile accident, a judgment was rendered for the plaintiff in the sum of \$3,000. Execution was issued upon the judgment and the Indemnity Company of America was summoned as garnishee. The trial of the garnishment proceedings resulted in a judgment in favor of the plaintiff against the garnishee in the sum of \$3,421.15, being the amount of the judgment in the action for damages, plus interest and costs. The garnishee appealed. The only question was whether under the terms of a certain liability insurance policy issued by the Indemnity Company to the defendant in the damage action, the undertaking of the insurer was to indemnify the insured against liability for damages to other parties as the result of an automobile accident or whether the undertaking was to indemnify the insured against actual loss resulting from a similar liability. In the policy of insurance the insurer contracted "to indemnify the assured against loss resulting from claims upon the assured for damages on account of bodily injuries and/or death accidentally suffered by any person * * * by reason of the ownership, maintenance and/or use of the automobile described herein * * *." Obviously, if the indemnity was only against loss, the insurer would not be subject to a garnishment judgment.

Held, that the judgment against the garnishee should be affirmed. It must be held that if the insurer intended to contract only against loss resulting from liability as distinguished from liability, it could easily have done so by the use of plain and unambiguous words. State ex rel Indemnity Co. of America vs. Daues, Supreme Court of Missouri.

Every wide-awake local agent should read his personal copy of THE NATIONAL UNDERWRITER.

Industrial Companies Now Pushing Life Insurance

Undoubtedly the companies writing weekly and monthly payment accident and health insurance are veering over to industrial and ordinary life insurance. This is particularly true with the industrial companies writing weekly payment policies. The weekly payment accident and health companies that have built up a large business feel the necessity of getting more roots into the soil. Many of the officials declare that if life insurance is written in connection with health and accident, the income will be more permanent and stable.

One or two companies seemingly have put the soft pedal on their accident and health and are going out strongly for life insurance. However, most of the companies are clinging to their old course but they believe that the health and accident business has pretty nearly reached the saturation point and the increases cannot be made in that direction that were achieved in the past. Hence, the only way to show an increase is through life insurance. Some of the companies are going out after ordinary life insurance but they are featuring industrial because their men are trained in that direction. Companies writing industrial put their ordinary business on the books at a comparatively low expense.

Two Licensed in California

SAN FRANCISCO, Sept. 18—The Alliance Casualty Company and the Central West Casualty of Detroit have been licensed in California. The Alliance will be managed by R. W. Forsyth, Pacific Coast manager of the Indemnity of North America, while the Central West has been planted with the American & Security Insurance Corporation, apparently a new subsidiary of the insurance department of the Bank of Italy. It will be housed with the Pacific National Fire, which is owned and operated by the bank.

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S. E. MAKEAG..... Manager

PITTSBURGH, PA.
Law & Finance Building, 425 Fourth Avenue
H. B. MARSH, Resident Vice-President..... Manager

CHICAGO, ILL.
Insurance Exchange Building
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White Sulphur Plans Complete

(CONTINUED FROM PAGE 41)

8 p. m. Moving pictures, cards, informal dancing.

Oct. 2, 10 a. m.

Joint meeting called to order and presided over by John M. Harrison, vice-president of the National association.

Address of W. G. Wilson, president National Association of Casualty & Surety Agents.

"Relation between the Association General Contractors' Affiliated Bureau, the Surety Company and Its Sales Organization," Samuel M. Williams, manager engineering construction divisions, the Associated General Contractors of America.

"Railroads and Prosperity," W. S. Battle, Jr., vice-president Norfolk & Western Railway Company.

"The Superiority of Private Enterprise," Sir Ernest Benn of London, Eng., economist and publisher (a talking movie).

Announcement of committee appointments by the president of the International association, F. J. O'Neill.

Announcement of committee appointments by the president of the National association.

Oct. 2, Sports Program

10 a. m. Women's golf tournament, 18 holes, medal play. Prize for low gross and low net score.

1 p. m. Men's golf tournament (continued), 18 holes, medal play. Prize for winner and runner-up, low net and low gross score. Company players and agent players (8 prizes).

Included in tournament—18 holes special medal handicap for players with handicap of 18 or over. Prize for low net score. Company player and agent player.

3 p. m. Women's auction bridge tournament. First and second prize.

3:30 p. m. Horseshoe pitching contest for men. Prize for each for winning team (two players).

Oct. 2, 7 p. m.

Joint convention dinner, W. A. Edgar, toastmaster.

Oct. 3, 10 a. m.

Business meeting of the International association. Call to order by the president, F. J. O'Neill.

Roll call and record of representatives (preliminary report of committee on registration), J. J. Meador, chairman.

Report of the secretary-treasurer, F. Robertson Jones.

Report of the auditing committee, F. J. Parry, chairman.

Report of the committee on blanks, Benedict D. Flynn, chairman.

Final report of the committee on registration, J. J. Meador, chairman.

Report of the committee on resolutions.

Report of committee on nominations. Election of officers and standing committees.

Unfinished business.
New business.

Oct. 3, 10 a. m.

Business meeting of the National association. Call to order by the president, W. G. Wilson.

Roll call and record of members present.

Greetings from C. I. Thornburg, president of the West Virginia Association of Insurance Agents.

Reading of minutes of the 1928 convention.

Report of the secretary-treasurer, Dorr C. Price.

Report of the auditing committee by its chairman, J. K. Walker.

Report of the executive committee by its chairman, Thomas E. Braniff.

General discussion, unfinished business, report of committee on resolutions, report of committee on nominations, election of officers, and new business.

Oct. 3, 1 p. m.

Men's golf tournament (concluded). Consolation round, 18 holes, medal play. Prize for winner and runner-up, low net and low gross score. Company players and agent players (8 prizes).

Included in consolation round—18 holes special medal handicap for players with handicap of under 18. Prize for low net score, company player and agent player.

Sullivan and Wysong Find Fault With Merit Rating

(CONTINUED FROM PAGE 41)

even if he sometimes may not use them to the best advantage for his company. With our agency system will we ever be able to apply the rating system in truth and in fact?

"The merit system is in its infancy, and we are sometimes suspicious that it is only another term for an indirect way of cutting rates without calling the infant by its right name. I make no assertion that this is the intent, but the facilities placed in view are very tempting to those who are inclined to go the inventor one better."

Every wide-awake local agent should read his personal copy of THE NATIONAL UNDERWRITER.

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CHANGES IN CASUALTY FIELD

CHANGES MADE IN CHICAGO

Royal Indemnity Appoints J. E. Murphy Superintendent of Production—Donohue Given Charge of Bonds

The Royal Indemnity has announced several changes in its Chicago office. J. E. Murphy, formerly supervising engineer, has been promoted to superintendent of production. Mr. Murphy will have two or more special agents and his duties will be to assist all of the agents in the development of business.

S. J. McMahon has been placed in charge of the engineering department with the title of supervising engineer. His duties will be to handle all matters pertaining to inspection of boilers, elevators, public liability and mechanical lines.

T. F. Whalen has been placed in charge of all compensation inspections and rating. In addition to this, Mr. Whalen will also devote a part of his time to special safety engineering service on compensation risks. His title will be district director of safety.

Donald J. Donohue, formerly special agent of the Detroit Fidelity & Surety has been placed in charge of the bonding department.

Thaxton Made Texas Manager

Grover H. Thaxton has been made manager of the Texas department of the Federal Surety with offices in the Allen building, Dallas. Mr. Thaxton succeeds J. L. Cook. Mr. Thaxton served as special representative for the Massachusetts Bonding and was Texas field supervisor for the United States Fidelity & Guaranty.

Brunn Los Angeles Manager

John Brunn, formerly with the Great American Indemnity of Salt Lake City in charge of Utah, has been appointed manager of the branch office of the Metropolitan Casualty in Los Angeles, succeeding Pierce J. Deasy, who has resigned to enter the brokerage business.

Lynch Made Newark Manager

E. G. Lynch and R. R. Oppenheimer have been appointed manager and associate manager of the Newark branch office of the Pennsylvania Surety and the Triangle Fire. Mr. Lynch has been in the casualty business for 15 years. He had been associated with the Fidelity & Deposit, the United States Fidelity & Guaranty and the Union Indemnity before he joined the Pennsylvania Surety as special production manager at Baltimore and from there was transferred to Newark. Mr. Oppenheimer has been superintendent of the claim department of the Newark branch.

Hoeffling New England Manager

The Consolidated Indemnity of New York has opened a New England branch office at 33 Broad street, Boston. Charles Hoeffling is general manager for New England with the title of resident vice-president. Mr. Hoeffling was for some time with the bonding department of the National Surety at the New York home office.

Chicago Office Readjusted

With the consolidation of the New York Indemnity, Union Indemnity and Northwestern Casualty & Surety offices in Chicago, Lawrence S. Hanchek, formerly assistant manager of the New York Indemnity, will be special agent in the metropolitan Chicago area for all three companies. John D. Hunter, formerly production manager for the New York Indemnity, will be manager of the steam boiler and engine and machinery

department. The engineering forces of all three companies will be combined.

J. P. Miller, Chicago manager of the New York Indemnity, is temporarily in New Orleans at the home office of the Insurance Securities group. It is expected that he will be placed in charge of a branch office in the field soon.

Gets Franklin in Brooklyn

NEW YORK, Sept. 18.—The Brooklyn Franklin Corporation, of which William Eisenberg is president, has been appointed Brooklyn borough agent for the Franklin Surety. Mr. Eisenberg has a strong following among brokers in his home community, gained through his 25 years association with the Lockwood agency, of which he was in recent years manager and underwriter. In honor of the opening of the Brooklyn agency a reception was given the business producers of the borough yesterday.

Staack Takes Seattle Post

C. L. Staack has been appointed superintendent of agencies for the Washington branch office of the Metropolitan Casualty and Commercial Casualty at Seattle. Mr. Staack spent six years with Hansen & Rowland, Tacoma, and for the past year has been in charge of the Northern Insurance Agency. Claude M. Johns has been appointed claims attorney for the two companies.

Bondurant Texas Supervisor

The Massachusetts Bonding has appointed Burbon P. Bondurant as agency supervisor in Texas with headquarters in the company's branch office, 510 Southwestern Life building, Dallas, of which Sam H. Riley is manager.

Mr. Bondurant's experience covers a period of some nine or ten years with other prominent companies as special agent and field representative. He is familiar with agencies and conditions in Texas, and in fact throughout the southwest.

Marshall General Agent

A. W. Marshall of Newark, N. J., has been appointed general agent for casualty and surety lines in Union, Essex and Morris counties by the Standard Surety & Casualty of New York. The head office of the agency is at 31 Clinton street, Newark.

Wilkins Joins Massachusetts Bonding

James R. Wilkins, senior underwriter of the accident and liability department of the Dallas office of the Aetna Life, has been appointed superintendent of the casualty department of the southern California department of the Massachusetts Bonding, with headquarters at Los Angeles.

Hines and Fitzpatrick Advanced

William J. Hines, assistant manager, casualty lines, of the Boston branch office of the Travelers, has been made first assistant manager in that office, filling the vacancy caused by the recent death of Assistant Manager Walter A. Quinlan. James P. Fitzpatrick has also been promoted from field assistant to assistant manager, casualty lines, of the Boston office.

Mr. Hines has been associated with the Travelers for nearly 17 years, all of which time has been spent in the Boston office. Mr. Fitzpatrick has been with the Travelers since 1920.

Wisecarver Claim Superintendent

SAN FRANCISCO, Sept. 18.—W. W. Gilmore, vice-president of the London & Lancashire Indemnity, announces the appointment of Newton B. Wisecarver as superintendent of the claim department in this territory. Mr. Wisecarver resigned from the Ocean Accident to assume his new duties. He succeeds R. G. Clarke, who left the London & Lancashire to become manager of the Seattle office of the Glens Falls Indemnity.

Land With Consolidated

The Consolidated Indemnity has appointed John R. Land, Jr., state manager for South Carolina. His headquarters will be at 506 Carolina Life building, Columbia. Mr. Land is a



Full Home Office Cooperation Makes for Agency Success

THE ABILITY of the home office of the United States Fidelity and Guaranty Company to understand and fully appreciate the efforts of its agents throughout the United States and Canada and its willingness to cooperate at all times has resulted in a remarkable yet natural growth in which the agent materially benefits.

This cooperation, as much as any other single factor, has enabled the United States Fidelity and Guaranty Company to take its place as the largest casualty and surety company in America.

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OPPORTUNITIES

CAPABLE ACCOUNTANT

Owing to a recent merger and readjustment the services of a capable accountant now Auditor of large casualty company will be available October first. Twelve years experience in fire and casualty both home and branch offices. Chicago connection preferred. Can furnish list of references. Address N-45, care The National Underwriter.

Desirable Office Space in Chicago

Progressive casualty company has desirable space in the Insurance Exchange Bldg., Chicago, for responsible broker; telephone, stenographer and service. Address N-38, care The National Underwriter.

WANTED

Assistant manager for old established branch office of large casualty and surety company. Desire party familiar with Kansas and Missouri agencies. State experience and salary expected. Excellent opportunity. Address N-42, care The National Underwriter.

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Is entirely dispelled from the mind of the client when he purchases a "Gold Seal" Non-cancellable Income Policy. The finest disability coverage available today at attractive rates.

Topnotch arrangements with underwriters who can produce good, clean cut business. Build up your renewal income with

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CHICAGO

native of Louisiana and was formerly North Carolina state manager for the Standard Accident with headquarters at Charlotte.

Takes Oklahoma for Home Accident

Alcorn F. Minor of Newport, Ark., has been appointed state manager of the Home Accident for Oklahoma. He has been associated for the past six years

with the Phillips-Ferguson agency of Newport.

Frayne Makes Change

Frank Frayne has been appointed superintendent in the New York office of the Alliance Casualty to take charge of the payroll audit department. He has been superintendent of the payroll department of the Zurich General Accident.

WORKMEN'S COMPENSATION

DISABILITY NOT "ACCIDENT"

Contracting of Tuberculosis Not Covered Under Compensation Act, Court Holds

Held that an unborn child at the time of the accident which resulted in the injury and later in the death of its father, a workman, is a dependent and entitled to death benefits under the workmen's compensation law of Kansas.—Routh vs. List & Weatherly Construction Co., Sup. Ct., Kan.

Plaintiff was employed by defendant for a period of 23 months in a room where there was a tank into which was poured each day a large quantity of sulphuric acid and muriatic acid. He brought this action for damages, claiming that gases and vapors were released in the room where he worked which inflamed and affected his lungs, and lessened his resistance to tuberculosis, as a result of which he contracted that disease, rendering him permanently incapacitated. Complaint charged negligence in failing to provide the workroom with sufficient ventilation, alleged request for such ventilation and promise by defendant to provide it. Held that court adheres to former holding that "fortuitous event" and "accident," as used in the act, are synonymous, and that, to receive compensation from the state, there must be some unexpected or sudden happening from which a report or claim can be based which is referable to a definite time, place and cause. *Depre vs. Pacific Coast Forge Co.*, Sup. Ct. Wash. Dept No. 1.

Award Cover to Reciprocal

WASHINGTON, Sept. 18.—The United States shipping board has awarded a contract covering compensation insurance on stevedores in Houston, Galveston and Corpus Christi, Tex., to the Lumbermen's Reciprocal of Houston. The contract was awarded under the terms of the Jones-White shipping law.

Information on Rates Asked

TOPEKA, KAN., Sept. 18.—A tabulation of the fees paid by insurance companies to the compensation division of the Kansas department of labor and industry in the administration of the workmen's compensation law has been asked for by Commissioner Hobbs. Mr.

Hobbs is now gathering information relative to the rates for compensation insurance. The companies raised the expense ratio from 40 to 41 percent when the new law went into effect, claiming that the fees for accident reports, statements, final releases, hearing and reporter fees would aggregate 1 percent of the premium receipts and increase the expense ratio that amount.

Big Payment on Dynamite Explosion

SCRIBNER, NEB., Sept. 18.—A total of \$55,000 has been paid to the 18 persons or their families who were killed or injured in the dynamite explosion March 4 at the home of County Commissioner Hollander, and \$20,000 more will be paid within the next seven years, officials of the Travelers say. At least three of the victims will draw compensation for the seven years' maximum allowed. Six persons were killed and 50 others injured. The dynamite belonged to the county and was temporarily stored on the commissioner's farm. A fire broke out, and warnings by Hollander to keep away from the barn where the explosives were stored went either unheard or unheeded.

Report on New York Payments

ALBANY, N. Y., Sept. 18.—Compensation was awarded to workers or their dependents in 100,462 cases in the year ended June 30, 1929, by the New York state bureau of workmen's compensation. This is nearly 7,000 more cases than were closed the previous year.

The compensation cost of these cases was over \$32,000,000. This year's compensation cost shows an increase because the maximum weekly rate was raised from \$20 to \$25 where workers earn over \$30 a week. While this has raised the average cost per case above what it had been in the last three years, this average is still lower than it was in 1924 and 1925. This is attributed to better medical treatment in reducing amount of time and amount of permanent disability.

Commission Will Furnish Spectacles

The Ohio Industrial commission has announced that it will furnish spectacles for claimants suffering impaired vision as a result of industrial accidents or disease. Compensation then will be paid on the basis of claimant's corrected vision.

Kansas Accidents Increase

The Kansas labor and industry commission has announced that there were 1,488 industrial accidents in Kansas during August, an increase of 52 over July.

PLATE GLASS INSURANCE

AIM TO SIMPLIFY PRACTICES

Plate Glass Executives Discuss the Problem of Reducing the Number of Zones

A number of company men met Detroit agents Friday, conferring on the plate glass situation. The National Bureau of Casualty & Surety Underwriters was represented.

Discounts Vary Greatly

In Detroit there are 33 zones with a variation in discount ranging from 60 to 45 percent. The thought has been that the rating system is too intricate. It is likely that the zones will be materially reduced. A committee of Detroit managers was appointed to work out a scheme and refer it to the bureau for final approval. It is also stated a survey bureau will be established in Detroit to survey glass in Wayne county, thus following the New York City plan.

There is considerable outside competition in Detroit from mutuals. Commissions are paid to brokers on the general agency basis. Hence there are grave abuses along that line.

PROPOSAL UP TO COMMITTEE

Plan to Form Survey Bureau and Rezone Chicago Urged at Joint Meeting

Proposal to organize a plate glass survey bureau in Chicago and to rezone the city for rating purposes is in the hands of a special committee of eight company representatives as a result of

a joint meeting of a special committee of 11 from the National Bureau of Casualty & Surety Underwriters and managers and department superintendents of Chicago held in the Hotel LaSalle Monday.

The committee will canvass the proposal and report its conclusions as to advisability of making the change from the present method under which company men or plate glass houses make measurements of glass and attend to other technical details, incidentally duplicating efforts, and, it is believed, adding much to the cost.

Companies composing the committee, of which the Fidelity & Casualty is chairman, are, Metropolitan Casualty, Continental Casualty, Columbia Casualty, Globe Indemnity, Aetna Casualty & Surety, Norwich Union Indemnity and Commercial Casualty.

L. L. Hall, secretary-treasurer of the National Bureau, presided at the meeting, at which the unusual savings effected in New York through the survey bureau in operation there 14 years were explained. It was said by a representative of the Travelers that its plate glass expenses have been reduced about 70 percent by the survey bureau.

Company men present from the east pointed out that this gave leeway for an effective counter-attack on "50-50" companies, who are said to have made serious inroads into stock company business in Chicago. Some rate-cutting is reported, as well, but this is done mainly through modest measurements of glass, etc.

Principal recommendations for the plan are that it would result in general economies of operation, would give companies better service and greater accuracy in making replacements.

Eighty-five executives and western office managers and superintendents attended the meeting, which lasted nearly all day.

Write \$22,000,000 Cover

A public liability contract for \$22,000,000 on erection of the new Union passenger terminal at Cincinnati has been placed in the Aetna Life by Perkins & Geoghegan, agents for the company there. This is said to be the largest policy of this sort ever written in that part of the country, bearing a premium of approximately \$100,000. The rate is based on payroll and costs of the direct construction job, estimated at \$22,000,000, but this figure does not include cost of real estate, engineering, equipment and contingencies, which would raise the total to \$41,000,000. The contract will cover the entire operation during the four years it is estimated construction will require. The premium is to be paid in installments at stated periods following an audit to determine the amount of the payroll and other construction costs. This contract covers contingent liability of the Cincinnati Terminal Company and direct liability of the various contractors.

Test New California Law

SAN FRANCISCO, Sept. 18.—For the purpose of testing the legality of the recently enacted legislation making California political subdivisions liable for damages for automobile accidents, suit for a writ of mandate has been brought by Alexander R. Heron, state director of finance, against State Controller Ray L. Riley.

Mr. Heron asks that the state controller be compelled to audit demands for \$23,747 representing premiums on liability insurance policies taken out by Mr. Heron to cover 2,500 automobiles owned by the state and 1,000 private machines operated by state employees on a mileage basis.

Under the new law, which has been declared unconstitutional by a number of cities and counties, all cities and counties, as well as the state, are responsible for damages caused by automobiles while being used for administrative business.

The only person who takes any gamble on insurance is he who does without it.

The Travelers Pays Claims While You Get the Business

THE best time to write Windstorm insurance is just after a disastrous windstorm has struck in your territory, emphasizing the need of this protection to every property owner.

But if you are representing a company that leaves the adjustment of losses in your hands, your time and energy must be given up to this work at this time—and the golden opportunity to increase your business passes by unrealized.

That is one of the great advantages of placing your Windstorm insurance in The Travelers. The Travelers has a tremendous country-wide claim organization, with 214 adjusting offices strategically spotted from coast to coast and with sixteen hundred salaried people spending all their time in disbursing benefits under Travelers policies. In time of a big windstorm disaster (or of a big conflagration), these adjusters in surrounding territories, which are unaffected by the ca-

tastrophe, serve as reserves. They can be hurried into the stricken area within a few hours, in as large numbers as are needed, cleaning up the claims promptly, to the great

satisfaction of the policyholders. This leaves the Travelers agents in that town free to take advantage of the demonstration of the value of Windstorm insurance, which has just been enacted, to increase their Windstorm premiums.

The efficiency and dis-

patch of Travelers Claim Service in handling windstorm losses is tested and result-proven.

This is a service to Travelers policyholders and Travelers agents which cannot be fully appreciated until it is experienced. It makes your policyholders enthusiastic boosters for you and your Company, and leaves you free to take advantage of the great opportunity to write new business created by the windstorm and by the word-of-mouth advertising of your satisfied clients.



Part of the residential section of the city of St. Louis was devastated by a windstorm. Travelers adjusters arrived in force on the scene shortly after the disaster. They were able to settle claims under Travelers policies long before the representatives of many other companies were able to make the preliminary investigations

THE TRAVELERS

THE TRAVELERS INSURANCE COMPANY
THE TRAVELERS INDEMNITY COMPANY
THE TRAVELERS FIRE INSURANCE COMPANY

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SAFETY IN NUMBERS!

Fortunate is the local insurance agent who spreads his coverages over a large number of lines! If the agent confines them to only one or two lines, he may find himself at the point of serious disadvantage in income if a large business depression falls swiftly upon those contingencies he has covered.

In these days of intense competition in the insurance business, the wise agent chooses a company with care and selects one that is alert to give unusual service in selling the various kinds of insurance.

For him and all the others like him, we publish THE ACCELERATOR—each issue filled with clear explanations of our various coverages, with special selling suggestions for each, including also window displays, newspaper advertising and direct-by-mail advertising. Let us send you specimen copies.

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